THE CHINA WEEKLY

REVIEW

Devoted to the Economic, Political and Social Development of China and its Intercourse with Other Nations

"A Born Diplomat"

By Sterling Upshur

The Present American Attitude Toward China

China Awarded 73 Prizes at the Philadelphia Exposition

The Industrial Development at Nantungchow

American Press Comments on the Foreign Position in China

許勃氏論報

SATURDAY, JAN. 22, 1927

THIRTY CENTS A COPY

Vol. XXXIX No. 8.

Millard Publishing Co., No. 4 Avenue Edward VII, Shanghai, China

This truly unique blend cannot be copied – or even imitated

The taste you find here you can't find elsewhere

THAT spicy, rich mildness and that satisfying fullness which distinguish Chesterfield are secured by the most exacting balancing of one tobacco against another, to tone down heaviness or over-richness, and to bring out in fullest measure those subtle "overtones" which set it apart so definitely from all other cigarettes.

The natural methods by which this "balance" is achieved are unique. And when we say that the Chesterfield blend cannot be copied, we mean it literally—not because it is patented or legally protected, nor even because it is a secret closely held, but because without detailed knowledge of every step, the rare delicacy of the tobaccos themselves is inevitably lost.

No—there is only one cigarette that combines so fully the aroma of Turkish and the "body" of Domestic tobaccos; there is only one blend of which men say, "They're mild—and yet they satisfy!" For men who want natural tobacco taste at its smooth and mellow best, there is only one cigarette—and that cigarette is Chesterfield.

Chesterfield

CIGARETTES

They Satisfy

LIGGETT & MYERS TOBACCO CO

STANDARD OIL COMPANY OF NEW YORK

26 BROADWAY NEW YORK

The Mark of Quality

Socony Products

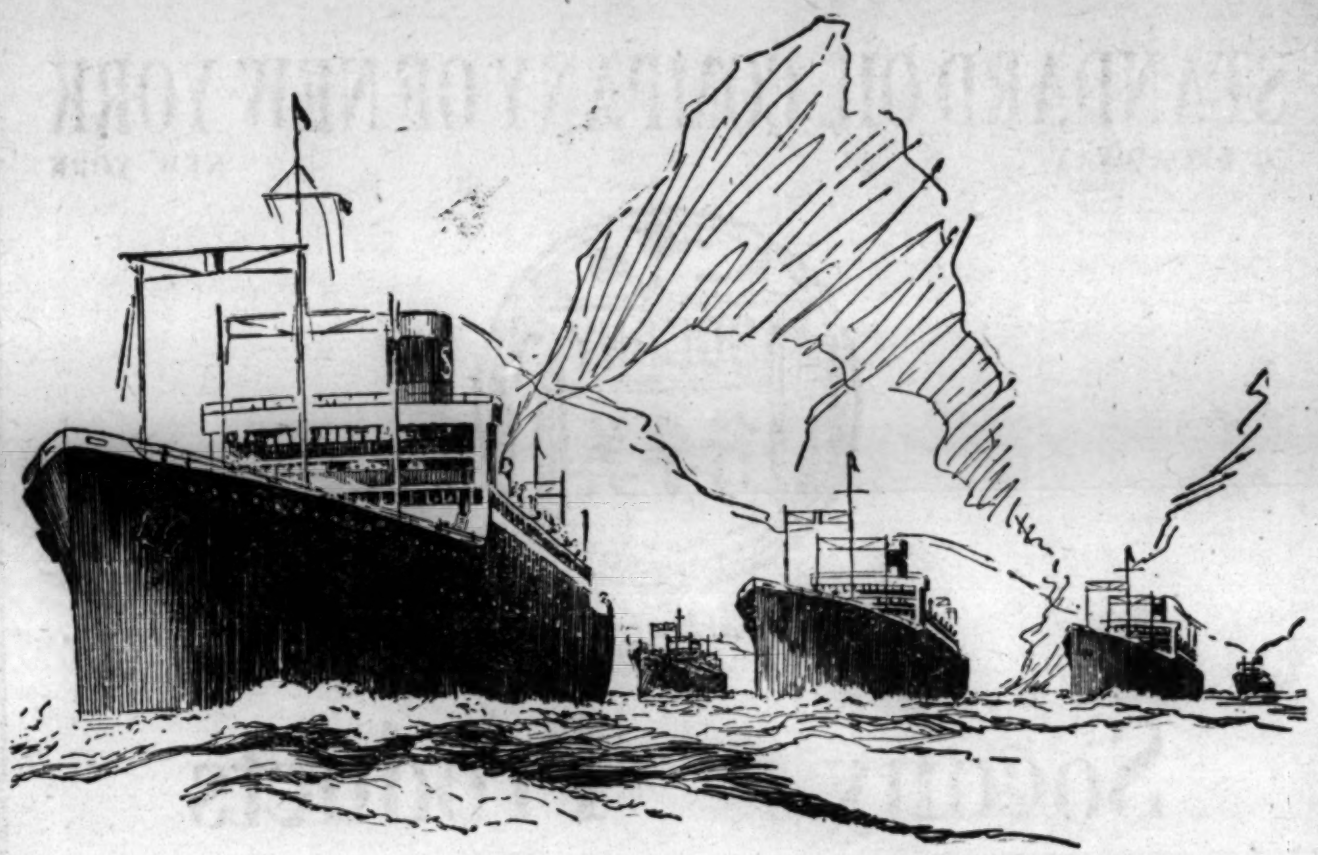
Illuminating Oils
Gasoline and
Motor Spirits
Asphaltums, Binders
and Road Oils

Lubricating Oils and
Greases
Fuel Oil
Paraffine Wax and
Candles

Lamps, Stoves and Heaters

Branch Offices in the Principal Cities of

Japan	Philippine Islands	Turkey
China	Straits Settlements	Syria
Indo-China	Netherlands India	Bulgaria
Siam	South Africa	Greece
India	Australasia	Jugoslavia



Joint Service of the

Dollar Steamship Line

AND

American Mail Line

Announcement

"AMERICAN MAIL LINE" has been adopted as the trade name of the Admiral Oriental Line, and will be used in connection with the Joint Service to be inaugurated, effective February 1st, by the Dollar Steamship Line and American Mail Line "PRESIDENT LINERS.

The new name is most appropriate as the "PRESIDENT LINERS" have maintained a fast and dependable schedule between Seattle and the Orient, carrying the great bulk of American Mail.

We respectfully request our patrons when addressing us in reference to Passenger and Freight bookings on Admiral Oriental Line steamers to refer to same as AMERICAN MAIL LINE "PRESIDENT LINERS."

THE ROBERT DOLLAR CO.,
General Agents.

密勒氏評論報

THE CHINA WEEKLY REVIEW

Formerly Millard's Review

中華郵政特准掛號認定爲新聞紙

Registered at the Chinese Post Office as a Newspaper for transmission with special marks privileges in China

VOLUME XXXIX — SHANGHAI, CHINA, SATURDAY, JANUARY 22, 1927 — NUMBER 8

THE CHINA WEEKLY REVIEW

Formerly Millard's Review

Cable Address "REVIEWING SHANGHAI"

PUBLISHED AT NO. 4 AVENUE EDWARD VII, SHANGHAI CHINA, BY MILLARD PUBLISHING COMPANY, INCORPORATED BY THE LAWS OF THE STATE OF DELAWARE, UNITED STATES OF AMERICA.

J. B. POWELL, Editor and Publisher
LIZEN SCHENG, Advertising Manager
YU NING-WEI, Assistant Advertising Manager.

CONTRIBUTING EDITORS

HOLLINGTON K. TONG, H. F. MACNAIR,
HIN-WONG, (Canton) BRUNO SCHWARTZ (Hankow)
CHAS. A. DAILEY (Peking) PEI-YU CHIEN,
WM. STEPHEN WANG (Tientsin) H. P. SHASTRI
LAWRENCE IMPEY (Peking)

YEARLY SUBSCRIPTION, FIFTY-TWO ISSUES, TEN DOLLARS (CHINESE CURRENCY) IN ADVANCE, POSTAGE INCLUDED IN CHINA AND JAPAN. IN THE UNITED STATES AND FOREIGN COUNTRIES SEVEN DOLLARS AND FIFTY CENTS U. S. CURRENCY. REMITTANCE FROM OTHER COUNTRIES THAN CHINA AND THE U. S. CAN BE MADE BY INTERNATIONAL MONEY ORDER. ENTERED AS SECOND-CLASS MATTER IN THE CHINESE POST OFFICE AT SHANGHAI IN MAY 1917.

Contents

Editorial Paragraphs
- The U. S. Attitude Toward China at the Present 197
- A Dangerous Situat on for American Interests 199

Special Articles
- Under What Flag? 201
- Can the Powers Keep their "Rights" in China? 201
- The Extent of British Interests in China 202
- "A Born Diplomat" ..... By Sterling Upshur 203
- China Awarded 73 Prizes at Philadelphia 205
- New Kuomintang Rules Regulating Strikes 206
- Industrial Nantungchow 207
- Reported Japanese Purchase of Chinese Sugar Refinery 210

News from South China 212
Men and Events 214
The Week in the Far East 216
From the Chinese Press 217
New Books of Interest in the Far East 219
What Ships Carry between America and China 220

COMMUNICATIONS PERTAINING TO SUBSCRIPTIONS OR ADVERTISING IN CHINA SHOULD BE ADDRESSED TO THE CHINA WEEKLY REVIEW AT 4 AVENUE EDWARD VII, SHANGHAI, CHINA. TELEPHONE CENTRAL 4741. CABLE ADDRESS "REVIEWING SHANGHAI."

AMERICAN OFFICE
WORLD WIDE NEWS ASSOCIATION
303 Fifth Avenue, New York City
Telephone: Caledonia 5300: Cable Ad: Scholzem, N. Y.
PACIFIC COAST OFFICES (World Wide News Association)
William C. Lyon, L. C. Smith Bldg., Seattle
Orders for advertisements and subscriptions in the United States may be placed throught the above offices.
WASHINGTON BUREAU
J. J. Underwood—Correspondent
Colorado Building, Washington, D.C.

THE U. S. ATTITUDE TOWARD CHINA AT THE PRESENT

SINCE WASHINGTON is practically a month away from Shanghai by the quickest mail route it is always difficult to determine at the moment just what the American reaction may be in respect to any given incident or happening in this part of the world. A few days ago the British Government recommended certain changes in the Powers' attitude toward China, the most important suggestion being that the Customs surtaxes of 2½ and 5 percent authorized at the Washington Conference in 1921-1922 be granted immediately irrespective of the question whether China has a central government or not. It will be remembered that the Special Tariff Conference which assembled in Peking last year for the purpose of putting these surtaxes into effect, was unable to accomplish its object, and finally adjourned without taking any action, the announced reason being that the Powers were unable to do anything owing to the fact that China had no Government with which the Powers could deal. The recent British recommendation was sent to all of the Powers having treaty relations with China, but up to the present there has been no official declarations showing the attitude of the various Powers. There has been considerable editorial comment on the subject in the press of the various countries, the Japanese and French papers for example, generally expressing opposition to the British proposals, while Belgium, apparently is favorable. The important element in the situation is of course. the attitude of the United States, but thus far Washington has been discreetly silent on the subject. There has been considerable newspaper comment on both sides of the question, but neither Secretary Kellog nor President Coolidge has made any official declaration. Mr. Silas H. Strawn, who represented the United States on both the Tariff Conference and Commission on Extra-territoriality, has made several addresses since his return to America, in which he stated his belief that nothing could be accomplished by the Powers in respect to improving conditions in China until China has a Government for the Powers to deal with. But almost immediately after the delivery of Mr. Strawn's addresses and the presentation of his report, the Administration issued a statement to the general effect that Mr. Strawn's views did not necessarily represent the views of the Administration in respect to American policy toward China, but "that Mr. Strawn's reports on the subjects of the Tariff Conference and Extraterritoriality were being carefully studied."

SEVERAL IMPORTANT things have happened in China since the presentation of the British recommendation on the question of the Customs surtaxes, the most notable being the action of the

Nationalist Government in Hankow in taking over the British Concession at that point and the consequent rumpus raised through the evacuation of British and other foreign residents from that area as well as at Kiukiang and elsewhere in the Yangtsze Valley. These incidents have had the effect of causing the Powers, otherwise America, Great Britain, Japan and France, to send additional naval forces to Shanghai and other Yangtsze and coastal ports for the purpose of protecting foreign lives and properties. In consequence of this situation the question of the American attitude toward the present China situation becomes a pressing one. Mr. John Van A. MacMurray, American Minister at Peking, has been called back to Washington for a conference, but despite this gesture which apparently was taken for the purpose of giving the Administration more time to consider the China question, nothing has been said or done by either Secretary Kellogg or President Coolidge to indicate where America now stands. However, despite the lack of official statements from the State Department or White House, there have been indications elsewhere which tend to give a hint respecting future American policy toward China. On December 11, last, Congressman Black of New York introduced a resolution in the House of Representatives authorizing the United States to accord recognition to the Canton Government, the resolution reading as follows:

> "Resolved, that it is the sense of the House of Representatives of the United States that the United States should immediately accord recognition as the Government of the Chinese Republic to the so-called Canton Government, and that the proper officials of the United States meet as soon as may be practicable with the duly accredited representatives of the Canton Government to consummate such recognition."

Then on January 4, Congressman Porter of Pennsylvania, chairman of the Committee on Foreign Affairs of the House of Representatives introduced another resolution, the purpose of which was to authorize the United States Government to begin immediately the negotiation of a new treaty with China to take the place of the present treaties respecting extraterritoriality and the Customs Administration. The Porter resolution reads as follows:

> "Resolved that the President of the United States of America be requested forthwith to enter into negotiations with the duly accredited agents of the Government of China with a view to the negotiation and drafting of a treaty or of treaties between the United States of America and China which shall take the place of the treaties now in force providing for the exercise in China of American extraterritorial or jurisdictional rights or limiting her full autonomy with reference to the levying of customs duties or other taxes or such other treaty provisions as may be found to be unequal or non-reciprocal in character to the end that henceforth the treaty relations between the two countries shall be upon a wholly equal and reciprocal basis and will be such as will in no way offend the sovereignty of either of the parties or place obstacles in the way of the realization by either of their several national aspirations or the maintenance by them of their several legitimate domestic policies."

ASIDE FROM a brief cabled message from Washington which was carried by *Reuters* on January 4, referring to the Porter resolution, none of the Shanghai newspapers have published anything further on the subject, but the lack of news in Shanghai on this vital matter of American policy toward China, has been supplied elsewhere for we find that the *North China Star*, American paper in Tientsin published the resolution in full and the *Japan Advertiser*, American paper in Tokyo published a long dispatch from its Washington correspondent on January 7 which gives a considerable insight into the present official reaction respecting American policy toward China. The article in the *Japan Advertiser* was as follows:

> Washington, January 5—Abrogation of existing treaty relation with China and the inauguration of an entirely new American policy toward that troubled nation is urged on the Administration here by a resolution introduced into the House of Representatives by Chairman Porter of the Foreign Affairs Committee of the Lower House in Congress.
>
> This action has brought China conspicuously to the fore, and President Coolidge and Secretary of State Kellogg are not expected to offer serious opposition to the proposal.
>
> The basis of the project is a separate Sino-American treaty to be signed regardless of co-operation with other Powers. This does not mean, it is understood that America would not be ready to co-operate, but that the Government would not be bound by any treaty obligation or otherwise to co-operate if those in authority decided it were best not to do so.
>
> **Both Houses Favorable**
>
> Members of Congress consider the plan especially timely in view of the British proposal concerning a new policy in China. Widespread support to the resolution is prophesied in both branches of Congress, and the President is not expected to raise serious objections. In fact, it is considered possible that Porter is acting as pacemaker of action soon to be announced by the State Department.
>
> The resolution starts off with a recital of China's trials and tribulations, tells of America's consistent effort, especially since the Washington Conference in 1922, to assist China to put her house in order, and then says: "The President is hereby authorized forthwith to enter into negotiations with the agents of a Government duly accredited to speak for the entire people of China with a view to negotiations for treaties to take the place of treaties now in force between the two countries."
>
> The resolution specifically mentions the Existing extraterritoriality and customs treaties as well as other restrictions which the United States in common with other Powers imposes on China, and adds: "Henceforth all treaties shall provide relations on a wholly equal and reciprocal basis that in no way shall offend the sovereign dignity of either Power or place obstacles in the way of the realization of their several national aspirations, or the maintenance of legitimate domestic policies."
>
> **MacMurray to Advise**
>
> The Administration withholds formally committing itself on the Porter proposal pending the arrival of the American Minister to Peking, Mr. John Van A. MacMurray, in Washington. He has been called home to confer with the President and Secretary Kellogg.

The forthcoming reply to the British memorandum on China also has been held up until Minister MacMurray has had a chance to confer with the President and Secretary Kellogg. MacMurray was called to Washington to acquaint the Administration with first hand knowledge of every phase of the chaotic Chinese situation.

ASIDE FROM the general question of American policy toward China as referred to in the foregoing, there is the further question of what America may be expected to do in respect to the protection of American lives and properties in case a situation develops at Shanghai similar to that which recently developed at Hankow in consequence of the Chinese occupation of the British Concession. In the first place it may be accepted as a truism that America will exert herself to the fullest possible extent in the protection of American lives and properties. There are now some 22 American naval craft at Shanghai and along the Yangtsze River between Shanghai and Chungking, a distance of about a thousand miles. These boats are here purely for the purpose of protecting American lives and interests and for no other purpose. In cases of incidents on the Upper Yangtsze where situations developed that were considered menacing from the standpoint of American residents the American Consular and Naval officials have extended every protection possible and where protection could not be accorded ashore, the Americans were urged to evacuate the districts on the American boats placed at their disposal. Here at Shanghai the situation is quite different, owing to the fact that American residents are much more numerous than elsewhere and furthermore, Americans actually participate, to a minor extent in the administration of the foreign areas, the International Settlement and the French Concession. Although America has never approved in principle of the establishment of foreign concessions on Chinese soil, it is a fact, nevertheless, that America does participate in the International Settlement at Shanghai. But whether the American Government, in connection with the question of extending protection to American residents at Shanghai, would go to the extent of supplying armed forces for the purpose of protecting Shanghai against an organized and unified Chinese force seeking the control of this area, is an entirely different matter. If the American Consul-General and the American Admiral should consider the defence of the Settlement as being necessary for the protection of American lives and properties, it is quite possible that President Coolidge would authorize the use of American armed forces for that purpose as a temporary measure. But on the larger question of permanently defending Shanghai against a unified demand of the Chinese for control of the foreign areas here, it may be assumed in the light of America's historical attitude toward China, that no American official from the President down, would dare give assent, the reason for this supposition being that neither Congress nor the American people would stand for it.

A DANGEROUS SITUATION FOR AMERICAN INTERESTS

ON TUESDAY, January 11, *The China Press*, local Shanghai newspaper published a headline across the top of the front page in heavy black type which contained the words,

"FIRE IF NECESSARY!"—WASHINGTON ORDER TO U. S. ADMIRAL

A careful perusal of the text of the leading article which appeared under this headline failed to disclose anything supporting the statement that Admiral Williams, commander of the U. S. Naval forces in this district had been ordered to "Fire if necessary." There was one paragraph in the text which read as follows: "*Admiral Williams has been ordered by his home government to take charge of American interests here, and to use force if, in his opinion, a major provocation exists endangering American lives or property. This injunction applies to all Chinese territory.*" This paragraph might have been interpreted to justify the heading that the American Admiral had been instructed to "fire if necessary," but there was nothing in the cabled news from Washington that day or since even justifying the use of this paragraph as inquiry at American official sources has disclosed; rather the contrary. It might be assumed naturally that if an armed Chinese mob was trying to murder American citizens in China that the American naval forces might be forced to fire if such should be necessary to protect American citizens from being killed, but nothing so serious as this has occurred, even in connection with the disturbances at Hankow and Kiukiang. Therefore, in the light of available evidence, both the headline and paragraph referred to above, which appeared in *The China Press* on January 11 were pure exaggerations of the actual situation, to say the least.

THEN TURNING to the editorial columns of the same issue of *The China Press* we find an editorial occupying nearly six columns of large size type, the tenor of which was to put America out in front to bear the brunt of the present Chinese drive against the so-called unequal treaty situation and special position of the foreigners. The editorial even recommended that "the British marines and warships should be sent away" and the foreign concessions and areas in China turned over to the American forces 'to police and defend' The whole tenor of the issue of *The China Press* referred to, and subsequent issues, has been to create the idea in the minds of the Chinese that America is the leader in the whole imperialistic regime in China and should take the lead in opposing the Chinese Nationalist program, even to the extent of "firing if necessary" as the headline on the front page indicated. Furthermore the attempt is being made to create the impression in the minds of the Chinese that the Powers are a unit on this question, which is absolutely contrary to the facts, for the Powers are not together and have not been together for many years in respect to their policies in this part of the world. Both the Germans and Russians have lost their special position and have negotiated so-called 'equal' treaties with China. The Belgian treaty has been abrogated. Two resolutions were introduced in the American Congress last month, one by Mr. Porter, chairman of the Committee on Foreign Affairs of the House of Representatives, recommending that the American Government should immediately negotiate with China *independently* for the adjustment or revision of the Sino-American Treaties on extraterritoriality and Tariff, and the other by Congressman Black of New York recommending that America should immediately grant recognition to the Canton Government. Then on top of this we have the well-known attitude of Senator Borah, chairman of the powerful Foreign Relations Committee of the Senate who has been

opposing force and recommending a policy of conciliation toward China for several years. From the standpoint of the British, while the Conservative Party now in power would probably like to follow a 'strong' policy toward China, its efforts in that direction are largely neutralized by both the Liberal and Labor Parties which favor conciliation. When we turn to the Japanese we find the leaders of that nation pushing through every means possible their so-called 'friendship' policy toward China, and of further import their 'Pan-Asian' policy which means fundamentally the elimination of European and American influence from China. There can be no questioning the accuracy of this for Japan is now and has for many years blocked all efforts on the part of the European Powers to intervene in China. The last thing Japan wants is any form of intervention which would re-establish European power and prestige in Asia, and should the present threats in the direction of intervention become an actuality it is not outside the realm of possibility that Japan might join hands with Soviet Russia (now an Asiatic power) in open opposition to any European program for intervening in the affairs of China.

BUT TO GET back to *The China Press*, it should be fairly well known in the Chinese and foreign communities that that newspaper, although incorporated in the State of Delaware, is neither American owned nor American controlled. Furthermore the paper is not even registered as an American enterprise in the local American Consulate-General. There are a few American employes on the staff, but they are powerless from the standpoint of directing the paper's policy, the reason being that 95 percent of the paper is owned by the Ezra Estate, a British corporation which is mortgaged to the Hongkong and Shanghai bank, the leading British financial organ in the Far East. The shares of *The China Press* are, or at least were, a few months ago, actually in the vault of the Hongkong and Shanghai Bank as collateral for loans advanced to the Ezra Estate. From the standpoint of editorial policy and control the management of *The China Press* is in the hands of a foreigner named Arthur Sopher, who, according to his own admission or testimony in the course of a suit for damages against *The China Press* in the U. S. Court for China last year, is a French protege. There can be no questioning the accuracy of these statements for they are matters of record in the U. S. Court for anyone who may wish to inspect them. Therefore, in the face of the actual record of the non-American ownership and control of *The China Press* we read with mingled feelings of disgust and apprehension a statement in the editorial columns of that newspaper on Thursday, January 13 that *"The China Press has for many years given its best to its readers. Its news typography is that of the American newspaper. Its ideals are those of American journalism. Its policies and beliefs are as truly American as those of any publication printed within the United States."*

NOW HERE IS WHERE the danger to American interests comes in. *The China Press*, since it was established as an American newspaper and for a number of years *did* follow an American policy, naturally attracted a considerable number of readers among the Chinese and foreigners resident in the Far East who came to look upon the paper as an expression of American ideas and ideals. Owing to the fact that the sale of the controlling interest in the paper to Edward Ezra, head of the Shanghai Opium Combine, was kept secret, it was a considerable period before the Americans themselves found out what had happened to their newspaper. Even now there are many persons in the Shanghai foreign community who are unfamiliar with the actual ownership and control which motivates the policy. However the great danger rests with the Chinese community where the paper has a considerable circulation and where it is still looked upon as 'American' and as an interpreter and purveyor of American ideals in respect to matters affecting Chinese-American relations. The situation affecting foreign interests in China is now very tense and the Chinese are reading every word and scrap of information which may have a bearing on the foreign attitude toward China. Therefore, when they read the statement in large type on the front page of the 'American' paper, that the American Admiral has been sent here with instructions from Washington to "Fire if Necessary," it doesn't require any wizard on Chinese psychology to realize the effect on the Chinese mind. The effect is provocative in the extreme and immediately has the effect of turning Chinese animosities in the direction of the Americans who have thus far enjoyed a good reputation from the standpoint of American policy toward China as historically recorded in the Open Door Policy, the return of the Boxer Indemnity, American attitude on the Shantung question, the Washington Conference, American missionary and philanthropic effort toward China and finally America's refusal to participate in the old European policies of 'spheres of influence,' concessions and so on. In order to preserve her trade position in Asia, it was necessary for the United States, under the most favored nation clause, to negotiate treaties containing the so-called unequal provisions. This was vital, otherwise American merchants could never have established trade relations with China, in the face of European competition. Now, however, the Americans, owing to the attitude and policies of a newspaper over which they exercise no control, are being placed in an invidious position and are having their past good name in China prejudiced. Obviously this is a situation calling for action on the part of American organizations and American officials who should have it within their power to issue a public declaration disavowing responsibility for what may appear in *The China Press*, as being an expression of American policy, or even spirit toward China and the Chinese people.

SINCE THE foregoing ptaragraphs were written it has been learned that the two leading American organizations in Shanghai, have passed resolutions which have been forwarded to Mr. C. E. Gauss, American Consul-General, recommending that the American Consulate-General here take steps to disavow *The China Press*, as an American enterprise, on the grounds that the paper is neither American owned or American controlled. It is not known what action the American authorities will take or legally are able to take, but there are several precedents in existence where the American Consular authorities have disavowed responsibility for non-American enterprises in China which have at one time or another attempted to exploit American good will through the use of the American flag or otherwise. This was done here at Shanghai during the 'stock-exchange' boom a few years ago when certain interests incorporated Chinese-owned stock-exchanges under the lax laws of certain of the

American states and then attempted to obtain American protection. Similar action was also taken in Tientsin several years ago when the American authorities disavowed responsibility for a trust company incorporated in Delaware, but all the stock of which was owned by Japanese interests. The Japanese in this case were attempting to side-step the anti-Japanese boycott. In the present case of *The China Press* the situation is even more menacing from the stand point of American prestige in China, because neither the owners of the paper, the Ezra Estate (British) nor the manager, Arthur Sopher (French protege) are amenable to American law or influence hence are in a perfectly free position to place any interpretation they may wish upon American policy in respect to China, an obviously dangerous situation from the stand point of Chinese-American relations, and especially true at this time of crisis in the relations of Chinese and foreigners generally.

It should also be stated most emphatically in this connection that there is no objection on the part of any American in China or elsewhere to the publication of *a newspaper* by Mr. Arthur Sopher, or to the financing of such enterprises by the Ezra Estate, providing the legal heirs of the estate are willing to put up the money. What the Americans object to, and in this statement, we believe most Britons and other foreigners and Chinese as well are in agreement, is exploitation of the American flag and American prestige in China by non-American interests, and especially at this time of crisis when the friendly relations of China and America as well as Britain and America are at stake!

Under What Flag?

To the Editor of
The China Press.

Sir,

In last paragraph of leading article—"Thoughts on Hankow" by Yu Lo Tang—in Last Sunday's paper, the following stands out in larger type than the main body of the article:

> "It has been proposed, as a temporary measure to tide over the present awkward situation existing between Great Britain and China, that the United States of America be asked to take over the British interests in China until such time as a mutually agreeable settlement shall have been reached by the two countries."

On front page of same issue is a long "Open Letter" signed by China Press Inc., it states, inter alia, that "The China Press" is the spokesman of real Americanism in China."

In view of this, therefore, would you kindly indicate who are the people, who are the individuals and what are their names, etc., who have proposed that the U. S. A., be asked to take over British interests in China etc., as a temporary measure?

Among my own circle of American friends I have heard no inkling, so far, of such a proposal, and would be interested to know whence it comes.

Before concluding, may I refer to another sentence in your "Open Letter":—

"The China Press is owned almost entirely by the Estate of the late Edward Ezra. Edward Ezra was a British Jew."

I gather, therefore, that you desire to impress on your readers the fact that *The China Press, an almost entirely British property, is the spokesman of real Americanism in China.*

I am correct in adding, I think, that the State Department of U. S. A., has refused to permit the China Press to be registered as an American concern at the local American Consulate.

Why is the China Press at such pains to disavow, by inference, any obligation to or sympathy with Britain—being almost entirely a British property—and to claim a real Americanism for itself in face of the refusal of the U. S. A. State Department to recognise it as American?

I am, etc.,
W. Bruce Lockhart.

Shanghai, January 17, 1927.

Editor's Note:—Mr. Lockhart sent this letter to The China Press for publication in the Correspondence columns, but it was refused publication by the proprietors of that paper.

Can the Powers Keep their "Rights" in China?

(From the New Republic, N. Y.)

IS any more evidence needed that what we call practical men are incompetent to deal with the practical affairs of a real world? Then read the news about China in the press last week.

Even the English papers, traditionally obscurantic in matters relating to the Far East, call the present crisis in China the gravest since the Boxer rebellion, which culminated, it will be remembered, in a war involving all the great powers, including the United States. The crisis is grave enough. The Southern Nationalist armies are sweeping up through the whole of China. One strategic centre after another is succumbing to them. Military opposition is crumbling away. The so-called Peking government has given up even the pretense of functioning. The conquest of the whole country by the Southern armies, including the ports where foreign interests are intrenched, seems inevitable.

Foreign lives and property are already in jeopardy. In Hankow barricades have been thrown up around the foreign concessions. In Fuchow the Chinese authorities have notified representatives of foreign governments they can no longer guarantee the safety of foreign residents there. Elsewhere small communities of missionaries and foreign business men are practically under siege. Encouraged by the Nationalist victories, the anti-foreign sentiment which has been gathering for so many years is now coming to a head. For the Nationalist party is avowedly anti-foreign, in the sense that it demands the abrogation of all the treaties which in effect make China a subject state. The Southern commander, Chiang Kai-shek, has formally declared that the first act of the new government when it assumes control will be the denunciation of all such treaties and the abolition of all the rights and special privileges under which foreign citizens have established their autonomous colonies in China. No international conferences; no diplomatic negotiations—China will act of its own volition and with the support of its own armies and the powers may do as they like. China the suppliant for foreign benevolence is no more.

This being the situation, how do the powers propose to meet it? By ignoring its existence. They choose just this time to make public the report of the international commission which has been "investigating" the problem of extra-territoriality for three years. Now, extra-territoriality, the right under which foreigners reside in China answerable to no Chinese law and without even paying taxes, is to the Chinese the symbol of their subjection. The abolition of extra-territoriality is one of the effective rallying cries of the Nationalists and the first object even of those who are not Nationalists. And if the Nationalists get into power, they may be expected to abolish extra-territoriality forthwith, in fact if not by formal pronouncement.

And what is the proposal of the international commission which has been deliberating on the issue of extra-territoriality? That China "set its house in order"; set up a stable and efficient government, draft modernized codes of law, establish machinery for the administration of justice, etc., etc. After all those conditions have been met, which means a generation or two, the commission recommends that the powers give sympathetic consideration to China's desire that extra-territoriality be abolished—the powers even then having the exclusive right to judge whether the conditions have been met. In other words, it is as if the last five years had not been, as if there were no Nationalist armies, as if the foreign communities were not already having their privileges shorn away by force majeure and now barricading themselves for protection, as if China were still a suppliant and the foreign powers alone had the right of decision. The international commission, having deliberated solemnly in a vacuum, produces solemnly conclusions which have no relation to anything that exists. At the very moment that China is backing up specific and categorical demands with the most impressive showing of force, a commission representing twelve governments treats it to an abstract lecture on good government. And this presumably is the answer of the powers to China. Could any but statesmen, diplomats and "men of affairs" be so completely oblivious of facts, so unpractical, so dull of perception? Could any similar group of rustics or little children or "idealists" be equally unaware that the question now is no longer whether the Chinese are "fit" to govern foreigners living on their soil, but whether foreign nations can do anything to prevent them?

There is only one question which the powers must face now with respect to China. It may be that foreigners will be able to continue residing and doing business in China without the protection of extra-territoriality, and it may be

that they will not. The time has passed when it was of any use debating that question. The fact is they are going to have to unless their governments intervene with force to maintain the right of extra-territoriality. And whether or not the foreign governments shall or shall not intervene with force in China to preserve the right of extra-territoriality for foreigners also can no longer be debated. The fact is they will not. They cannot. There is not a single western government that dares propose to its people the raising of a military expedition and the appropriation of millions for a long occupation of half a continent. The more truculent Anglo-Indian elements in England have been making the usual fire-eating appeals, but already months ago, when English officers were killed by Chinese troops at Wanhsien, the British government clearly showed that it had no intention of making an issue of the incident. Twenty-five years ago a similar incident would have meant occupation of half a dozen Chinese ports, a huge indemnity, the resignation of Chinese cabinet ministers and a few railway and mining concessions. After the Wanhsien incident the British were content with bombarding an undefended town and killing a few thousand Chinese. (Ed. The number killed was approximately 250 with an equal number wounded) There will be no intervention in China. No effective force will be used against China. The western nations have not the power now to bring effective force to bear against China.

The gunboat policy is no more. Gunboats are no longer destructive enough. Eastern peoples, the Chinese especially, can no longer be cowed by symbols. The relations between occidental countries and China which have held for a hundred years, are now about to be liquidated. The sooner we accept the accomplished fact, the better. Stupid demonstrations like the publication of the report of the commission on extra-territoriality, obscurantic stupidities like the report itself, can only have the effect of exacerbating hostilities already aroused. They serve only to goad the Chinese to anti-foreign resentments which may take the form of direct, mass attacks on foreign communities, which despite a few foreign gunboats off the coast are essentially helpless. Therein lies the greatest danger of the moment. A few shots fired by a few hotheads in some foreign concession may precipitate another Boxer massacre. And then we shall be forced into intervention in spite of ourselves—for "national honor and civilization and the security of human life" (of white men). Whether regrettable or not and however much it may cost them in the temporary wiping out of foreign financial interests the western powers must recognize the accomplished fact. The Chinese are winning, as the Turks won three years ago. We may as well accept the victory with good grace and with as little material loss as possible.

Murdered Because He Supported His Employers

Nyeh Tien-sung, whose picture appears herewith, for many years an employe of the Shanghai Tramways Company, was murdered on Wednesday, Jan. 12 by three unidentified Chinese, who shot him as he merged from his house in the morning to go to work. Mr. Nyeh had charge of the employes of the Tramway Company and during the strikes and labor disturbances following the May 30 troubles of 1925, he was able to keep the Chinese employes from striking and tieing up the transportation services of the city, except for short periods. He had been employed by the company for some 19 years and was a familiar figure in the city. It is thought that the murder was committed by strike agitators or disgruntled employes in retaliation for his actions in preventing the employes from striking in 1925.

The Extent of British Interests in China

(A London dispatch in the Wall Street Journal, N. Y.)

RECENTLY Mr. Baldwin, the British prime minister, announced that British interests would be protected in China.

Also, a Chinese committee has been appointed, with Lord Southborough at the head of it; and a new British ambassador—Mr. Miles Lampson, has been sent to Pekin.

There is $1,500,000,000 of British capital invested in China.

Most of China's foreign loans are held by British investors. The British have built and operated Chinese railroads.

More than 50% of the seaborne trade of China is carried in British ships. Even the coasting trade—40% of it is carried in British vessels.

Britain's trade with China amounts to about $150,000,000 a year and Britain cannot afford to lose this.

Industrially and financially, China is as much a part of the British Empire as India is. That is how the British look at the Chinese problem.

The Chinese Maritime Customs was established by a staff of Englishmen and is still operated by them, under the supervision of Sir Francis Aglen.

Anti-British and Anti-American Agitation

If the British scuttled out of China, there would be chaos and insolvency. All Europeans and Americans in China are aware of that.

The recent troubles in China have not been due to the Chinese themselves, but rather to a campaign of anti-British and anti-American agitation feeling now sweeping over a certain part of China, with Canton as its center.

The lives and property of British and Americans are not safe. There may be an uprising of the Chinese populace and a massacre of foreigners at any moment.

In this crisis, Britain has stepped forward and the other foreign nations have stepped back. Japan will not intervene. Neither will the United States, according to the latest cablegrams from Washington.

The main difficulty in the Chinese situation is that there is no central government in China.

Pekin is not the capital. Pekin is nothing but the headquarters of a certain group of politicians.

Pekin is a mere figurehead, or even less than that. Its influence does not extend beyond its own walls.

The military disturbances are caused by seven tuchuns, or governors, who are making war on each other.

The ablest and most dependable of these governors, so think the British, is Chang Tso-Lin. He is opposed to the Moscow Bolshevists and has an Englishman—General Sutton, as his chief of staff.

To be Helped, not Bullied

The British policy as regards China is that the Chinese are to be helped but not bullied. They are to be held fast to their contracts and treaties and they are to respect the rights of foreign investors.

As a nation, China might easily be cowed, as the Chinese have very little skill in the arts of war. But China could never be beaten, because of the vast size of China and because of the Chinese policy of passive resistance.

"Our policy," says an English publicist, "lies in the cultivation of Chinese goodwill, in developing trade, in treating the Chinese as equals, as indeed they are.

"We must win their confidence," he says, and take a genuine interest in their affairs, helping them in times of drought, flood, earthquake and disease."

Only 5% of Population in Disturbances

The British are inclined to think that the present disturbances in China are only superficial.

They believe that the Chinese are fundamentally one of the most stable, industrious, honest and law-abiding races in the world.

There is always more or less internal strife in China, but the point to remember is that the foreign trade of China has been steadily increasing. The customs returns prove that.

The customs revenue actually increased in 1925; and the receipts for the first three months of 1926 broke all previous records.

Taken as a whole, China is at peace and fairly prosperous. Not more than 5% of her population of 450,000,000 are concerned in the present military and political disturbances.

A new China is struggling into birth—that is the general belief in Great Britain; and the duty of other nations is to help and not hinder the progress that is being made and to save China from the domination of the agents of Moscow. Once clear the Reds out of China and the worst dangers will be averted.

"A Born Diplomat"

BY STERLING UPSHUR

In The American Mercury

MR. Percival Blaine-Smith is a rising young American diplomat. His qualifications are deemed by his friends to be so precisely all that is necessary and proper in a diplomat of career that they have not been surprised by his rapid rise in the confidence of both his colleagues and his superiors. As *charge d'affaires ad interim* he has already served as the foremost American gentleman in at least one foreign land. His promotion to minister, and later to ambassador, seems a certainty. Indeed, the one conceivable contingency which might postpone this merited preferment would be the election of a Democratic President—one bent anew to the herculean task of saving the world for democracy, with deserving Democrats as his agents.

Percy's friends go so far as to say that he is a born diplomat. "Did you notice how at the tea this afternoon he found time to give a word and a smile to absolutely everyone, even that ogre of an old baroness?" I did notice it. He moved among the guests as one straight from an Eighteenth Century salon. His poise and grace seemed a century and an ocean's breadth from Main Street. And why not? Percy, in fact, is a gentleman of the third generation. His grandfather, Jonathan Edwards Smith, while still young, sold the family farm and opened a general store in what is now the suburbs of one of the great New Jersey cities. Grandfather Smith so shrewdly administered the ten talents thus turned over that in the course of the decades he built up one of the largest department-stores in the State. Percy's father, falling heir to the store shortly after leaving Harvard, sold it and adopted once for all the vocation of bond-clipping. He settled temporarily in Boston, where he met and wed an heiress related very remotely to a cousin of the late James G. Blaine. At the lady's request, but nothing loath, Percy's father adopted her patronymic in hyphen; whence Blaine-Smith. The matriarchal form which the union assumed accounts for its subsequent ascendency in the polite society of our incomparable Republic.

Percival was born in Paris and spoke the language of his French nurse before he spoke the vernacular of his native wilds. His first real schooling was had in England, where he acquired a dialect with which he is still deeply scarred. Then, returning home, he entered Exeter Academy, and then went to Harvard, where he spent four years on the Gold Coast. A well-known Senator, mostly from Newport, oiled his way, on his graduation, into the Department of State, a destination decreed by Fate herself.

At college Percy never went in for athletics, nor for the glee club. He did not go out for the debating team, nor even for the chess team. Least of all was he a grind. Percy never went in or out for anything, but they did put him on the Senior Prom committee. An English youth of his exalted class would have been proficient at both cricket and rowing, and would have carried away from the academic halls at least a smattering of the humanities. But to Percy all distinction other than social standing is banal; hence he has always regarded birth into his high estate of Back Bay exclusiveness as achievement enough for one lifetime. He has never, indeed, been interested in achievement, or in anyone interested in achievement. This, in an American, is to be of blue blood—and our bluest bloods gravitate naturally toward the Diplomatic Service.

His record in that service reads like a romance—and looks like an itinerary. Consulting the Register of the Department of State, I find the following:

> Blaine-Smith, Percival Adams. Born Paris, Feb. 17, 1889. Ed. Exeter Academy; Harvard, B. A., 1912. Appointed Third Class Diplomatic Secretary June 2, 1913, and assigned to Embassy, Valparaiso. American Legation, Lisbon, 1915-6. Peking, 1917. Promoted to Second Class Diplomatic Secretary and transferred to Tegucigalpa August 6, 1919. *Charge d' affaires ad interim* at that post March 3 to September 18, 1921. Assigned to duty at the Department, 1922. London, 1923-4. Promoted to First Class Diplomatic Secretary and appointed Counsellor of the Legation at Warsaw, January 6, 1925.

Thus one learns that Percy has served the American Republic in seven different capitals on the four principal continents. His friends tell me that he has found occasion to visit, while on leave of absence or *en route* to his posts, much of the rest of the planet. He has seen the blue Danube and the yellow Yang-tse, the Palatine Hill and the Acropolis, the Andes and the Alps, the cathedral towns of Germany and the temple towns of Japan. Travel makes the broad man.

In the brevity and wide dispersal of his assignments there has been nothing unusual. His record only offers a fair illustration of a traditional policy of the Department of State. How and why that policy originated is immaterial. The point is that so long as the travel allotment of the department remains bounteous, the personnel officers will continue to plot diverting itineraries. But the peripatetic character of the young diplomat's training does not prevent his becoming profound in the affairs of the country to which he is accredited. You cannot prevent what would not happen.

Percy has served in the department, where instructions are framed, and in our diplomatic missions abroad, where they are supposed to be executed. On the moving carriage of the typewriter he has beheld American diplomatic policy in the making. He has read treaties in manuscript, just as they were transcribed from their foreign prototypes. At the department he has witnessed the obstructionist feuds between bureau-chiefs; and, at station he has observed the local tactics of superior officers in their skirmish for social advancement in the corps and for personal kudos back in Washington. Percy, you may be sure, knows his book, and in all its pretty deckle.

What he learned best at Washington was the ethics and metaphysics of procrastination. From his birth, almost, he had been intuitively sensitive to the nuances of that science. His year in Washington saw his intuition sanctified by precedent and preachment. A cardinal axiom of the bureaucrat is that there is no human problem which will not cease to be a problem with the passage of time—often of relatively little time. Another principle is that an unfortunate decision, if made after a seemly lapse of time, escapes the charge of rashness. When some blustering fellow, whose interests the department ostensibly served, complained that in his particular affair Percy's delay was an evil and destructive thing, what was easier than to silence him? Percy's desk basket, wherein reposed the documentation of the affair, contained other (imaginary) documents so weighty as to reduce it to microscopic insignificance. Did this blustering individual there-upon complain to Percy's superiors? If so, Percy was as secure against molestation from above as the uppermost angel on the highest cloud in Paradise. His bureauchief was harmoniously attuned to his own vibrations and rode the same cloud. And all Secretaries of State have been so uniformly busy with important matters, such as speech-making, that no Secretary has ever found time to administer and discipline his department, or even to find the right kind of Simon Legree to do it for him.

II

At Valparaiso, Lisbon and Peking, Percy was in reality a code clerk—that is, in everything save appearance. Let us look in upon him of an evening at Peking. While at dinner with the Third Secretary of the Portuguese Legation, he had been summoned by a uniformed messenger from the chancery, bearer of the news that three long cablegrams from the department have arrived within the hour.

Percy is sitting at his desk in an out-of-the-way nook of the chancery, the Delco light glistening on his white waistcoat and whiter tie. Thus, in full dress and with gold pencil in hand, he is copying selected quotations from the old purple code book. He admits that he is no good at decoding, and even an expert would grant that this particular cablegram is a bearcat—a whole flock of bearcats. The three long cablegrams—now grown to five—are all sections of one mammoth cablegram giving, word for word, the address of the Secretary of State at Williamstown, wherein he has outlined the entire foreign policy of the United States. And there is only one code book in the chancery!

Percy is just finishing Section 1 when the American Minister drops in, late in the evening, to ascertain what cataclysm, or series of cataclysms, has stricken our diplomatic relations in the Far East. He reads Section 1 from Percy's scribblings. Half of the section is devoted to a detailed description of the role of the United States as the uniquely pacifist nation and to the Secretary's personal regret at the spendthrifty habits of the great god Mars. The Secretary has turned his statesmanly gaze toward Latin America and begun a formal restatement of the Monroe Doctrine, when he is rudely interrupted by the close of Section 1.

"Was this instruction relayed from the Embassy at Tokio?" asks the Minister.

Percy studies the hieroglyphics on the incoming yellow sheets and reports that the entire cablegram, in all its sections, has come directly from Washingtion. The Minister ponders a moment:

"Then it must be urgent. Why, this damned cable cost the government around $10,000. There must be something in it for us. Find out what Secretary Blank says about the Far East. I'll sit up. When you are done, bring it up to me."

At one-thirty in the morning, Percy takes his pad of notes upstairs to the living quarters of His Excellency. The note, true enough, has not reached the end of the Secretary's remarks upon Far Eastern affairs, but enough has been decoded to make clear their broad scope and slight depth. In two long paragraphs the Secretary congratulates Japan upon

its great progress, expresses his sympathy for the great sister republic in her painful travail, and proclaims himself a firm adherent of the Open Door.

The Minister is a shirt-sleeve diplomat, politically appointed. He grunts his disgust and then bursts into blasphemy. He calls the Secretary of State a participial fathead and a what-price-glory old gasbag.

Percy only sighs.

In the Argentine and in Norway the same pra tical joke is being played upon our sweating young diplomats at the same moment. It has been perpetrated nearly every year, regardless of who has occupied the White House. Mirabeau flattered his uncle by clamoring for pauses in the latter's words of wisdom, that he might jot them down. Flattery so inexpensive would leave an American Secretary of State quite cold. It has been a long, long time since the king's shoes cost two shillings.

There are theories of diplomacy, several of them, but Percy is no theorist. He is even less theoretical than practical. He has never read a book on diplomacy—its theory, history and procedure—and he sees no need of doing so. To him diplomacy is simply—well, a career. If there is any individuality in American diplomacy, or a trend toward one, he has not observed it. That its past may have been glorious and its present insipid has never occured to him. It has not been revealed to him that the essential end of American diplomacy is to cultivate good relations with all nations, or that it is not, or that it is and it isn't. He has no gift of epithet and he does not generalize: he would hesitate to say that our diplomacy is materialistic, that it is not, or whether it should be. He has only a vague idea of what is termed dollar diplomacy, but he gathers that it is in bad repute. Business men seek him out on occasion, but it might be better if they used the tradesmen's entrance. In a flash of humor he once confessed to me that these merchants rather spoil his show.

Percy admires the word: Jones, now *charge* in Graustarkia, doesn't play cards; "he feels it would be bad for his show." "We put on the very best show we could at my last post. The chief was a career man, and he forbade the American stenographers in the chancery wearing spats. They really ought to be worn only by officers, you know," "Show," you learn, relates to the official dignity and social brilliance of the personnel of a particular mission.

Percy's rhetoric, by the way, is the one thing about him that does not reflect his superiority complex. He knows that he cannot achieve the informal grace of a British diplomatic note; so he turns to the easier Johnsonese prescribed by the department. Of the latter one sample, reasonably authentic, will suffice:

DEPARTMENT OF STATE
WASHINGTON

G. H. Blake, Esquire, December 28, 192—
2000 Broad St.,
New York, N. Y.

CONFIDENTIAL

Sir:

The Department has to acknowledge the receipt of your letter of October 28 wherein it is represented that the Royal Italian Government has refused to issue transit permits for a shipment of cuckoo clocks which, you allege, you ordered from Geneva, Switzerland, for the Christmas trade and in which petition is filed for the intervention of this Government through the American Embassy at Rome.

You are apprized that the Department has been pleased to comply with this petition and is issuing telegraphic instructions to the American Legation at Berne directing that diplomatic mission to investigate the situation, in its discretion to make diplomatic representations to the Helvetian authorities, to report by cable without delay, and in general to lend all aid and assistance consistent with its official duties. You are apprized, also, confidentially, that according to press despatches published in the Washington *Times* of November 6, it is rumored that apparently the Royal Italian Government has recently unofficially intimated the existence of a disposition on its part to reconsider its alleged policy of not encouraging transit shipments of cuchoo clocks from a certain contiguous nation, on a basis of complete and mutual reciprocity in the matter of macaroni. In view of the fact that such a development has arisen, it is suggested that possibly the situation of which complaint is made is no longer operative.

In supplying this information the Department desires expressly to stipulate that it can assume absolutely no financial responsibility whatsoever.

I am, Sir,

Your obedient servant,

For the Secretary

P. J. BILLINGS

Twelfth Assistant Secretary.

III

It will be inferred that Percy's duties are performed, when they *are* performed, with the nonchalance of a high ritual. From post to post he squanders his substance entertaining the local smart set and his colleagues in the *corps diplomatique*. To cultivate a foreign smart set is to cultivate good international relations. Foreign political movements are learned from ladies at tea-parties. Intricate and difficult negotiations are furthered at diplomatic balls; even novelists know this.

At the utmost Percy averages four hours a day in the chancery, and his application there is such as to shorten his real servitude by half. His principal preoccupation during these hours is with his appearance and manner, which must ever be the appearance and manner of a diplomat. The appearance must be that of a recidivist seducer in the movies, or at least of a very natty floor-walker. It is the manner, however, that counts. No mandarin with curly fingernails could be more particular. He is the soul of *politesse*. To be stern and insistent with the Foreign Office, in a case of injustice and discrimination against Americans, is to exhibit aggressiveness. To ply the Foreign Office with demands for action, in an urgent case, is to be importunate. To respond to the Foreign Office with elaborate briefs, in a complex case, is to be contentious. To bite the department itself out of one of its loony musings, in any case whatsoever, is to be obstreperous. The true diplomat never bites anyone but chancery clerks.

In some of its manifestations the diplomatic manner must be trying at times even to Percy's friends. For example, about three years ago—in the year of our Lord 1923—Percy and I were two of five men, all Americans, lounging about a dinner table in London, after the ladies had left for the drawingroom. Our conversation chanced to focus on the Panama Canal as an achievement of some credit to our nation. One present observed that Roosevelt's nefarious dealings in bringing about the secession of Panama forced our diplomacy, for once, down to the European level. Percy looked positively startled for a moment; somewhere he had heard something like that before. Then he smiled as if about to take a dangerous toy away from a child. "Ah," he said, a little above a whisper, to let us know that a diplomat was present, "that is a thing we'd better not discuss, don't you think? It might cause a bad impression if it should become known—among foreigners, I mean."

Suppose you now call upon Percy at his latest post, wherever that is, and confront him with a piece of diplomatic business in which you are so unhappy as to be interested. After you have been announced he keeps you waiting upon him for a respectable ten minutes. As you enter he is just putting away, on his cluttered desk, a recent copy of *Town Topics*. You are inspired with the notion that so dapper a fellow neither toils in the dust of the archives nor spins in any violent rustling of current correspondence. You suspect, and are about to learn, that with Percy judgment and discretion are synonyms, infallibly interchangeable. When the conversation thickens—as soon it must—you sense an acquired knack for saying one thing and meaning, or concealing, another. He breathes an innuendo or two. You wonder what the deep hush is all about. Your affair seems to you quite clear and anything in the world but confidential; you say so. Percy ventures to intimate, however, that he is inclined not entirely to concur. He points out that giving you aid with it would involve, at once, the recognition of the Soviets and the suppression of the British Empire. Having shrouded it thus in high policy, he labels your documents confidential and in time refers them to the department, to rest in peace.

If your affair is urgent you are, in military parlance, S. O. L. But be philosophical. And as you count up your losses, be literary: reflect and rejoice in your discovery that Ibsen left at least some imbecilities undramatized. On a different foreign strand Percy had another client like you. This was an optimistic American citizen who had cashed up $100,000 for an option on a loan and construction contract; but the option would lapse should he fail to obtain the requisite assent of the American government within ten days. The $100,000 went, it is ssid, to a Czecho-Slovak, and the construction contract to a Swede. Some day you may meet your companion in misery and hold an execration-fest. As for Percy, he is quite willing to meet you both, for he is conscious of no blame. Should you venture a criticism, he will resent it and violently bounce a safety match on his desk in masculine rage.

IV

Percy's friends, I fear, are mistaken. Through his dazzling biography runs the humble allegory of a round peg in a square hole. He is as well suited for our modern diplomacy as a clipper ship is for the transatlantic passenger trade. He is too romantic—and too slow.

When the capitals of Europe were swank with the trappings of monarchy, our Percys were precious cucumbers. No other young men could so creditably uphold American prestige at the Grand Duke's ball. But times have changed. A cobbler has been President of Germany, and there is a frowning blacksmith at Rome. With their ilk the new cabinets are filled. The price of swallow-tails seem high to those who have never owned them, and invitations may be refused if not labeled "informal." The new officials of Europe have their virtues and their faults; but Percy understands neither, for he is a one-class man, and hence unacquainted with their lusty counterparts at home. In his dealings with them he fails for want of bold candor, of rugged impulse. They know not how to take the Percy phenomena. His polished manner, however natural, seems now haughty, now affected and now condescending. Nor, beholding the aristocrat, do they grovel; figuratively, at least, their halberds still drip with the blood of late aristocrats. They would prefer to talk with a Babbitt. Eventually they will.

In the good old days, one or two Percys in a given chancery did not make their incompetence felt. A month's volume of diplomatic business could be disposed of with a gesture. Our foreign trade moved by sail, in driblets, on a pay-as-you-go basis. But now we are the greatest nation of creditors, of contractors and of tourists that history has known. In every thousand or so of tourists, one loses his passport or lands in a dago hoosegow; and he cries aloud to the chancery. Every construction contract requires diplomatic support and pressure. Every foreign loan requires investigation. The diplomatic cases arising from our enormous foreign trade are thus myriad and multiform. Today, all our diplomatic missions, even the tiny ones in Liberia and Albania, are deluged by correspondence and badgered by callers. All have become tourist headquarters, law offices, business establishments, bureaux of general information. All need go-getting, forward-looking, high-power staffs. Soon or late they will have them. All these antic strongholds of the defenceless Percy are failing even now. Hail to Babbitt the Conqueror!

Paul Fung Acquitted by American Federal Jury

Paul Fung, a graduate of the School of Journalism of the University who was arrested in New York sometime ago charged with sending an obscene letter through the U. S. Mail, was acquitted by a jury in the U. S. Federal Court in Jefferson City, Mo. The jury was out but ten minutes, according to reports appearing in the St. Louis and Kansas City newspapers recently. Mr. Fung is a native of Canton, and following his graduation from Washburn College, Topeka, Kansas and the University of Missouri he went to New York where he has been connected with a religious publication.

According to the evidence, Mr. Fung became acquainted with a girl in Columbia, Mo., while he was in school and was frequently seen in her company. This seems to have aroused the ire of the local branch of the Ku Klux Klan, which sent Fung threatening letters through the mail. At the trial where Fung was charged with sending an alleged obscene letter through the mail, it was shown that he had no responsibility for the letter which in all probability had been mailed by the Ku Kluk Klan for the purpose of discrediting Fung and getting him into trouble with the postal authorities. Several of Fung's college acquaintances including Mrs. Wm. McArthur of Topeka, Kansas appeared at the trial and testified as to Fung's good character. Mr. Fung has returned to New York to resume his duties on the paper with which he is connected.

More British Forces Being Sent to China

According to a *Reuters* message from London, dated Jan. 18, the British Government has issued orders for 1,000 marines from Chatham, Plymouth and Portsmouth to be in readiness to proceed to the Far East, for use presumably in the protection of British lives and properties at Shanghai and on the Yangtsze. In addition to the Marines the Crusiers, Frobisher, Delhi, Danae and Dragon from the Mediterranean Squadron have been ordered to China.

The Marines and other forces, possibly including troops, will be brought to China on the Union Castle liners Kinfauns Castle and Kildonan Castle which are scheduled to sail on January 26 and 29. The Crusiers which are sailing for China will be commanded by Rear Admiral William Boyle. The hospital ship Maine, is also being outfitted for China service and the Crusier Dauntless will join the other war craft in China waters in February.

China Awarded 73 Prizes At Philadelphia

THE Chinese exhibitors at the Philadelphia Exposition last year received a total of 73 prizes and awards, according to a report received this week from the *World-Wide News Association*, New York.

It will be noted from the list that China received 14 Grand prizes, 16 Medals of Honor, 2? Gold Medals and many silver and bronze medals, really a remarkable accomplishment considering the fact that the exhibits were collected in China under extreme difficulties owing to the disturbed political situation.

Another interesting phase of the exhibition was the competition of China and Japan for the Grand Prize in Silk and Tea. The competition was so keen and the products from both countries so excellent that the Board of Awards finally was forced to compromise by awarding both countries prizes of equal rank.

The list of awards follows:

Collective Exhibit of Chinese Straw and Grass products	Gold Medal
Collective Exhibit of Chinese Parasols	Gold Medal
Collective Exhibit Chinese Fans ..	Medal of Honor
Tswei Yu-Fu	Gold Medal
Geological Survey of China.. ..	Grand Prize
Yi Fong Enamelled-ware Company	Gold Prize
L. H. Wu	Honorable Mention
S. S. Fong	Honorable Mention
Chinese Commission	Silver Medal
Chinese Canned Food Manufacturers	Grand Prize
Collective Exhibit of Chinese Vegetable Oils	Gold Medal
Chinese Exhibit of Cereals and Cotton	Medal of Honor
Collective Exhibit Chinese Miscellaneous Food Products	Medal of Honor
The Eagle Globe Polish Company .	Silver Medal
Chinese Toilet Articles Manufacturers	Gold Medal
Chinese Incense Manufacturers ..	Gold Medal
Shun Chang Glassware Works ..	Silver Medal
King Hwa Parish House	Gold Medal
Chinese Condiments Manufacturers	Grand Prize
Chinese Sea Producers	Grand Prize
Changchow Parish House	Silver Medal
Chinese Paper Manufacturers ..	Gold Medal
Chinese Fur Producers	Medal of Honor
Sun Sun Company	Gold Medal
Collective Exhibit of Chinese Inksticks and Pens	Medal of Honor
Collective Exhibit of Chinese Bamboo Work	Gold Medal
Collective Exhibit of Chinese Tobacco Industry	Gold Medal
Chinese Lace Manufacturers. ..	Medal of Honor
Miss Tan Wai-Ying	Medal of Honor
Collective Exhibit of Chinese Embroideries	Grand Prize
Pacific Alkali Co., Lt.	Medal of Honor
Collective Exhibit of Honey and Wax Industry	Silver Medal
Chinese Silk Piece Goods Manufacturers	Grand Prize
Collective Exhibit of Chinese Dry Goods	Gold Medal
Colored Silk Manufacturers ..	Medal of Honor
Chinese Raw Silk Manufacturers ..	Grand Prize
Chung Fou Manufacturers Silk Filature Co., Ltd...	Medal of Honor
Collective Exhibit of Chinese Grass-Cloth & other Linen Goods ..	Grand Prize
Collective Exhibit of Chinese Sericulture	Gold Medal
Collective Exhibit of Duck and Goose Feather Industry . ..	Silver Medal
Chinese Stoneware Manufacturers.	Gold Medal
Li Yuen Company	Gold Medal
Wu Teh-Shun Pottery Co.	Medal of Honor
Collective Exhibit of Porcelain ..	Grand Prize
Collective Exhibit of Chinese Rugs	Grand Prize
Collective Exhibit of Chinese Tapestry Satin	Medal of Honor
Collective Exhibit of Chinese Gold Lacquer-ware	Grand Prize
The Guild of Jade Lapidaries ..	Grand Prize

Kiangse Lacquer-ware Manufacturers	Silver Medal
Chinese Leather Article Manufacturers	Gold Medal
Collective Exhibit of Chinese Silverware	Medal of Honor
Hangchow Iron Works	Gold Medal
Lao Poh Heng Shuen Combs Mfg Company	Gold Medal
Mr. C. Wong	Gold Medal
Messrs S. N. Yuan & P. K. Chang	Silver Medal
Collective Exhibit of Chinese Fishing Nets	Medal of Honor
China Institute in America	Medal of Honor
China Institute in American	Medal of Honor
Republic of China (Education)	Grand Prize
Commercial Press (Publication)	Grand Prize
Chung Fu Manufactured Silk Company	Medal of Honor
Ching Hwa Paints and Varnishes Mfg. Company	Gold Medal
Collective Exhibit of Chinese Phonograph Records	Silver Medal
Chung Hwa Book Company	Medal of Honor
Commercial Press, Ltd. (Chinese Typewriter)	Medal of Honor
Collective Exhibit of Fishing Nets	Medal of Honor
Wahson Electrical Mfg. Co.	Silver Medal
Collective Exhibit Chinese Scissors, Swords & Brass Products	Silver Medal
Ma Teh Kee (Tables)	Silver Medal
Collective Exhibit Electro-Plated Pictures	Silver Medal
China Storage Battery Company	Bronze Medal

Trade Opportunities

The following inquiries pertaining to trade connections in China have been received at the office of the U. S. Trade Commissioner, Dollar Building, Shanghai. Those interested in further information are urged to apply to the U. S. Trade Commissioner.

Water and Corrosion Proof Materials: Engineers and Manufacturers specializing in protection against water and corrosion are interested in securing sales representatives for North and South China. Catalogues and price lists on file at this office.

Butter: Two Seattle firms, exporters of butter, are desirous of entering the China market. Butter quotations cif Shanghai, on file at this office.

Combed and Mercerized Yarns: Exporters of combed cotton yarns and mercerized cotton yarns in all sizes from 16's to 80's are anxious to make connections with a firm inChina.

Railway Supplies: Manufacturers of car and locomotive rerailers and track braces would like to enter the China market. Catalogues on file at this office.

Hospital Furniture and Sterilizing Equipment: Manufacturers of hospital furniture and sterilizing equipment are anxious to secure representation in China. Catalogues on file at this office.

Hickory Tool Handles of all Kinds: Manufacturers and exporters of all kinds of hickory tool handles would like to secure representation in China. Catalogues and price lists on file.

Rubber Novelties and Drug Sundries: Manufacturers of rubber novelties and drug sundries are desirous of entering the China market. Further details on file at this office.

Machinery, Equipment & Supplies for Railroads, Factories, Shipyards, Etc: Exporters of machinery, equipment and supplies used by railroads, contractors, factories, shipyards, etc., would like to secure satisfactory sales agent in Shanghai.

Peanuts and Walnuts: Seattle firm would like direct connection with concerns in China operating shelling and grading plants and exporting peanuts and walnuts.

Doughnut Machines: A New York firm is interested in exporting their all-automatic, all-electric doughnut machines which cut, fry automatically, 40 to 400 dozen doughnuts per hour. Booklet on file at this office.

Trusses: Manufacturers of trusses would like to secure an agent in China for the sale of their products.

Machinery and Machine Shop and Foundry Equipment: Exporters of machine shop and foundry equipment, air compressors, woodworking machinery, metal machinery, etc., would like to get in touch with reliable firms in the Orient who might be interested in handling their commodities.

Cocoa: New York exporter of cocoa wishes to secure agent in China for the sale of his product. Further particulars on file at this office.

Automotive Electrical Parts: Manufacturers of automotive electrical parts are seeking a representative in China for the distribution of their goods. Further details on file at this office.

New Kuomintang Rules Regulating Strikes

LABOUR strikes in South China are being legalized by the Kuomintang according to regulations relative to labor disputes which were promulgated by the Kuomintang on January 5. The regulations are as follows:

In a labour dispute, merchants are expected to observe the following rules:— (1). During the strike of a guild or union of workers covering a particular trade, the proprietor of a firm or a factory may perform the necessary labour pertaining to his line of business or manufacture but shall not engage other persons to assist him in the business or manufacture. (2). A firm or factury suspending business or operation shall notify its employes one month in advance and pay a month's extra wages, but any firm or factory closing without good reason shall have to pay two months extra wages. (3). Employes returning to work after a strike shall be entitled to wages during the period of the strike and reckoned according to the increased scale, but labour unions concerned may not advance a further claim for losses incurred during the period under negotiation. (4). Merchants shall not organize themselves as workers in order to enjoy the privileges of labour unions and undermine the influence of the existing union of that particular trade. (5). Regular "Ta" or "big" merchants may not join labor unions, and "Siu" or "small" merchants (hawkers, etc.), while being permitted to join a union with the consent and approval of its authorities, may speak and cast votes for officers at meetings but shall have no right to vote on resolutions or be elected to office. (6). In time of dispute, a merchant shall not (bribe) members of another union or engage assistants for unlawful purpose under penalty of severe punishment upon detection of guilt.

In a labour dispute, labour unions are expected to observe the following:—(1), No individual worker or a labour union may exercise the power of arrest of merchants or other workers or deprive any person of his personal liberty. (2), No individual worker or a labour union may, during a labour dispute, appropriate the goods of any firm or factory for his own use. (3), No individual worker or labour union may blockade a shop or factory and prevent its owners from personally working in connection with their trade or manufacture. (4), No labour organization may collect dues or enroll members without being registered with the proper authorities, and an organization, during the process of registration, may only use the name of the Committee on Organization of a particular union, but in no case is a union permitted to use armed force to compel a person to become its member. (5), No union is permitted to assess more dues from its members than the amount by regulation fixed or to exact commissions or bonuses from firms or factories. (6), No armed labour parade shall take place, and persons meeting under arms for purpose of warfare shall be subject to arrest and punishment.

There is also a series of regulations covering the class of journeymen who work and trade at the same time—a shoemaker, for instance, who makes to order or has a few pairs of shoes in stock, perhaps. Independent workers or small traders include those who may have less than three hired assistants, but one shall have to take out a license before he may enjoy the privilege of not being considered as a merchant or manufacturer. The journeymen within this classification may not be forced to join a union, unless they wish to do so. During a strike of his particular line which is being covered by a union, he may continue to work on his trade, but his hired assistants may not do so. Small traders or manufacturers exempt from union control are, however, subject to all obligations and rules of the particular line of trade covered by a union. Small manufacturers or journeymen without a regular place of business but doing the work in their own homes will be free from the rules just promulgated by the Kuomintang.

Disputes between employers and employes touching certain lines of trade or business are subject to strict Kuomintang control, and the decisions of the Board of Arbitration concerning these shall have the power of judicial orders or court judgments which everybody must obey. These include all public utilities, arms manufacturing, financial organizations such as banking and exchange, and all human necessities, the specifications of which, however, have not yet been decided.

Canton, January 13, 1927.

Industrial Nantungchow

(From the Chinese Economic Bulletin)

NANTUNGCHOW, Kiangsu province, is situated on the north bank of the Yangtze River, about 300 *li* from Shanghai. Two decades ago, it was an obscure place, but since the Republic a succession of industrial developments, initiated by the late Chang Chien, has raised it to the status of a manufacturing city. Chang Chien also promoted town planning schemes, which have given Natungchow the reputation of a model settlement. There are many reasons why Nantungchow is unique in China. It has been called "the nearest approach to a motorist's paradise," which in a country where metalled roads are few and far between, is praise indeed. There are over two hundred miles of fine roads, bordered by ten-year old shade trees, amply lighted with electricity, passing through pretty parks and extending to model factories, and beyond through rice and cotton fields. The whole aspect of the city and its environs puts Nantungchow in a class apart from its sister manufacturing cities in China. It is in fact a model city. Its population is now estimated at over a million, mostly modern industrial workers.

The important industrial establishments are cotton mills; weaving and spinning mills; oil mills; flour mills; rice mills; iron works; match factories; electric light plants; film companies and land reclamation and salt manufacturing companies. The conditions of these establishments are described in detail as follow:

1. Cotton Mills.

(a) Dah Sung Cotton Mill, No. 1

Located at Tangkiacha, Nantungchow, occupying 140 *mow*. Started in 1898 by Chang Chien with a capital of Tls. 2,000,000 (divided into 20,000 shares), which was increased to Tls. 2,500,000 in 1915 and to Tls. 3,000,000 in 1918, not including a reserve fund of over Tls. 500,000. Equipped first with 40,500 spindles, to which 20,680 were added in 1915, and 14,000 in 1921, making a total of 75,180, and British made. The cloth weaving mill attached to the cotton mill was started in 1915, with 480 looms, which were increased to 800 in 1918. About 170,000 piculs of cotton are consumed each year, principally Nantungchow cotton, only a small amount being Shensi cotton and American cotton. The managing director is Chang Cha.

The net profit of the year is divided into 14 shares, of which 10 go to the shareholders and the remaining four are distributed among the staff. The mill occupies two buildings, the old building having 400-500 rooms and the new building over 100 rooms. Steam power is employed. The machines in the order of operation are enumerated as follows: Gins, numbering 40; scutches, 26; carding machines, 80; drawing frames, 12; roving frames, 107; spinning machines, including two kinds, 309 in total; baling machines, 20; warping machines, 6; starching machines, 3. The cloth mill owns eight machines for eight different steps in manufacture. Tungchow cotton is mixed with American and Shensi varieties to reduce the cost of production. The mill turns out in 24 hours 150-160 bales of yarn, each weighing 400 lb., or 300 catties, divided into 40 packages of 10 lb. each, and 450 pieces of cloth, weighing 10-16 lb. apiece. The annual output amounts to 47,000 bales of yarn and 182,000 pieces of cloth.

The yarn is of 10 counts, 12 counts, 14 counts and 42 counts, principally double yarn. The yarn of 10 counts is trademarked "Kwei Sing," "Ho Ho," or "A Cotton Plant," the yarns of other counts are all trademarked "Kwei Sing"; the cloth of 13 lb. is trademarked "Liu Hai," or "Three Star"; that of 14 lb. "Ho Ho"; that of 15 lb. "The God of Longevity"; and that of 16 lb. "Kwei Sing."

The price of the yarn averages Tls. 150 a bale, and of cloth $14 a piece. Both yarn and cloth are consumed in Nantungchow, neighboring districts, Shanghai, Hankow, and Manchuria. Waste cotton forms a by-product of the mill, amounting to about 20 catties for each bale.

Laborers number about 6,000, including male and female. Those in the cotton mill work by shifts, the day shift from 6 a.m. to 5 p.m., and the night shift from 6 p.m. to 5 a.m.; but those in the cloth mill (female hands) sometimes work 14 hours when the demand is pressing, there being no night shifts. There are four holidays (not Sundays) in the month, and a general suspension in the hottest days of the year, lasting a week or two; in addition, each workman is allowed a fortnight's leave every year. The operating period amounts, therefore, to about 280 days in a year.

Daily wages for a male hand range from 15 cents to 60 cents, for a female hand 10 cents to 30 cents, all silver, and for foremen and mechanics higher. No lodging or board is provided.

(b) Dah Sung Cotton Mill, No. 8

Located at Kiangkiakiao, Nantungchow. Construction started in 1922, and was completed the next year at a cost of $1,200,000. For lack of capital it was leased in 1924 to a Taihing merchant for five years at a rent of $250,000. Operations started this year.

(c) Other branch mills of Dah Sung Co., located in other districts Dah Sung Cotton Mill, No. 2

Located at Chiulungchen, Tsungming, occupying 260 *mow*. Started in 1907 with a capital of Tls. 1,200,000. Equipped with steam engines; 30,200 spindles. Male and female laborers total about 2,000. Cotton consumed in the year amounts to 72,000 piculs, turning out 20,000 bales of yarn. The yarn is consumed in Tsungming, Haimen, Nantungchow, Shanghai, and districts in other provinces on the upper reaches of the Yangtze River. The most prosperous year was 1917, in which a net profit of Tls. 321,000 was made.

Dah Sung Cotton Mill, No 3

Located at Changlochen, Haimen, occupying 600 *mow*. The founder was Chang Chien. Started in 1921 with a capital of Tls. 300,000. Equipped with 34,340 spindles and 422 looms. Annually 95,000 piculs of cotton are consumed, and 36,000 bales of yarn (12-16 counts) and 74,000 pieces of cloth are produced. Laborers number 2,300, and members of the staff 250. Net profit for 1923 amounted to $200,000, and for 1924 about $150,000.

(d) Kai Yuan Cotton Mill

Located at Shihkangshih, 70 *li* from the city of Nantungchow, occupying 20 *mow*. Capitalised at $40,000. Started in 1920 with 30 native hand-operated wooden machines made in Honan, later with 50 additional ones of the same type made by the company. An oil engine, British-made, was later installed, consuming 30 lb. of kerosene an hour and operating 240 machines of the above type, three times as many as the mill at present possesses. Each of the large machines employed has 88 spindles, so that the total number of spindles is about 7,040.

The mill is also equipped with three scutchers, made in Honan, at a cost of $150 each, and eight spinning machines of the same type as those owned by the Tah Sung Cotton Mill. The electric light plant in the mill can supply current for 600 lamps of 16 candle power. At present, the mill has only 200 lamps, the surplus current being supplied to the public. Raw cotton for the production is obtained from Shihkang and vicinity.

The total daily output of yarn is estimated at 320 catties, or 640 catties if operation is in full swing, i.e., continued through day and night, the output from each machine in 12 hours being four catties.

The yarn is trademarked "A lucky fisherman." It is similar in quality to the yarn of 12 counts produced with iron machines.

2. Weaving and Spinning Companies

(a) Dah Sung Weaving Co.

Located at Tangkiacha, Nantungchow. Started in 1915 by Yu Jen-pen, and Hsu Mien-tsai. Capital, $10,000. Managing-director is Chang Shu-yen, and manager Ma Hwei-pai. It turns out cloths for table covers and bed covers with hand operated machines. At first it was equipped with only five weaving machines, and the output was confined to the local market. In 1916, however, 10 machines were added, and in 1917, 30 machines more. Up to the present the company is equipped with 60 such machines, all made in Shanghai.

The materials used in manufacture are double yarn of 16 counts, single yarn of 3 counts, bleaching powder, hydrochloric acid, and dyes, principally red, blue, and black. The yarn is first boiled in an iron pan for half an hour, then taken out and washed with ice water before being steeped in a *kong* for bleaching.

The bleaching generally lasts six hours, but in summer only four hours. The bleached yarn is washed with a very diluted solution of hydrochloric acid for one or several days, and after having been taken out and dried, is dyed the desired color. The dyed yarn is dried in the sun and finally put on the machine for weaving. The company employs one expert weaver, four assistant weavers, and 100 laborers, including 60 male and 40 female. The monthly wages for an assistant weaver are about $20, and for an expert weaver slightly higher. The laborers are paid on a piece-work basis. An experienced male worker may earn 50 cents, silver, a day, and a female worker 20 cents. They all work 9-11 hours a day, there being no night work.

The operating period in the year, after deducting holidays, is 270 days. The annual output amounts to 8,000 pieces of different sizes and colors, all trademarked "golden shuttle." The price varies with size, averaging $2.20 a piece, the cost of production being $2.00.

About 15 per cent of the output is consumed on the local market, and the remaining 85 per cent in other cities in the province, and in Hupeh, Anhwei, and Chekiang. The company has wholesale agencies in Shanghai and Hankow. It has done very prosperous business in the past few years, yielding a net profit of 60 per cent. Waste yarn forms the by-product of the company, valued at some $1,500 a year.

(*b*) *Fow Sung Sericultural Co.*

Located at Tangkiacha, Nantungchow. Started by Chang Chien, Chang Shu-yen, Kao Tsing, and Kao Meng-chi, in 1904 with a capital of $140,000. It has three departments: silk weaving; cotton weaving; and dyeing. The Silk Weaving Department is equipped with eight pans for boiling cocoons, 15 reeling machines, seven spinning machines, and 54 machines for making woof threads, drawing warp threads, finishing warp threads, weaving, and brocading, all wooden and of the old type. The Cotton Weaving Department is equipped with 50 spinning machines and 100 looms of the native wooden type.

Laborers in the company number 240, including 111 in the cotton weaving department, 71 in the silk weaving department, 31 in the dyeing department, and 27 coolies. The laborers in the cotton department consist of one foreman, 40 male and 70 female workers; those in the silk department one foreman and 70 male workmen, not including casual female workers. Those in the dyeing department are all men, viz., 14 for fast color dyeing, 5 for light color dyeing, 5 for printing and bleaching, and 7 specially for silk dyeing. They all work 10 hours a day, there being no night shifts. The working period in the year, deducting holidays, number 340 days. The wages for a foreman are $8 a month; for a cotton weaver 10-20 cents, silver, a day; for a silk weaver 25-35 cents, silver, a day; and for a printer, a bleacher, a silk dyer, a cotton dyer, either fast color or light color, 30 cents a day. Total wages in the year amount to $28,000.

The materials for manufacture are cotten yarn supplied from the Dah Sung Mill; mercerised yarn from the Hung Chang Mill, Shanghai; cocoons and raw silk from the district; dyes from Germany and America and a small amount of home production; lime, bleaching powder, &c.

The company turns out annually 4,300 pieces of silk fabrics, sold at about $20 a piece, 4,000 pieces of mercerised cloths, at $9 a piece, 4,000-5,000 pieces of cloths of different color and figures, including drills, at $7 a piece. The charge for bleaching is one cent per foot (Chinese); for light blue color dyeing two cents per foot; and deep blue, black, or other colors about four cents per foot.

3. Oil Mills

Kwang Sung Oil Mill

Located in Kwangsungchieh, Tangkiacha, Nantungchow occupying 29 *mow*. Founded by Shah Yuan-ping, and Chang Chien. Cotton seed oil is turned out. The mill was started in 1903 with a capital of Tls. 50,000 and first used American machines; later, the capital was increased to Tls. 150,000, and more up-to-date machines were employed, capable of turning out 1,000 piculs of oil. In 1909, the capital was doubled, the total being then Tls. 300,000, and new buildings were erected and equipped with the most modern British-made machines. In 1920, a German chemist was employed in the analysis and refining of oil, and the offices were enlarged. The buildings consist of several hundred rooms.

Among the machines in use are five lints, i. e., machines for the removal of the short-staples still adhering to the seed after ginning; two machines for stripping the husks from the seeds; two machines for breaking up the seeds; one crusher for crushing the seeds; two steam boilers; two turbines; eight presses; one cake mould; several oil-refining machines; three engines, two British-made and one American-made.

Cotton seeds are collected on the local market. and from the districts of Haimen, Yukao, Tungtai, Changshu, Kiangyin in Kiangsu province, and districts in other provinces. The mill consumes 1,000 piculs of cotton seeds in 24 hours and 300,000 piculs in a year. Operations are sometimes suspended owing to an inadequate supply of seeds.

Laborers in the mill total over 200, all male. Working hours number 23, divided into two shifts. The operating period in the year, deducting holidays, amounts to 300 days. Wages average 30 cents silver, per day for each workman on the day shift, the wages for the night shift being slightly higher. The products of the mill are oil and cotton cakes. The by-products are linter, amounting to 1.500 piculs, and cotton seed husks, 150,000 piculs. The oil is consumed principally abroad, only small quantities being demanded on the ocal market and in other districts, including Shanghai, Nanking, Kiangyin, Changshu, and Tungtai.

Cotton cakes are largely consumed in the district and neighborhood, and used as fertiliser and food for swine; sometimes they are exported to Japan. The oil is trademarked "A Cotton Plant", and the cotton cakes "The Kwang Sung Mill". The price of cotton seed oil averages $12 a picul, and cotton cakes $2.80-$3.00 a picul, or over 20 cents a piece.

The mill has been doing prosperous business in recent years. amounting to half a million taels a year.

4. Flour Mills

Fu Hsing Flour Mill

Located in Fuhsingchieh, Tangkiacha, Nantungchow, occupying 36 *mow*. Reorganised from the Ta Hsing Flour Mill and operated in 1909 by Chang Chien, Chang Shu-yen, and Hsu Shih-lin. Capitalised at first at $140,000, which was increased to $210,000 in 1914, and again increased to $310,000 in 1922. At present, the company has a capital of $355,000. The building consists of several hundred rooms, and is equipped with two steam boilers, German-made, having a pressure of 120 lb. to the square inch; one steam engine, British-made; and 61 machines for different processes, from sieving wheat to packing flour, made in China, Britain, or America. Wheat is supplied locally and from Taihsien, Tungtai, and Taihing; and coal principally from Kiangsi and to a smaller extent from Hupeh. The company has wheat buying offices at Kiangyen, 60 *li* east of the Tainsien city, Shihyen, 40 *li* southwest of the Tungtai city, and Hwangkiao, 40 *li* northeast of the Taihing city.

Regular laborers number about 80, and temporary piece-workers about 30. They work by shifts of 12 hours each. The operating period in the year is 325 days, deducting holidays. Wages average 35 cents, silver, a day.

The mill consumes 800 piculs of wheat a day, or 260,000 piculs a year, and 7 tons of coal a day, or about 2,300 tons a year. It turns out 2,000 bags of flour, weighing 50 lb. each, and 350 bags of wheat bran, weighing 120 lb. each, in 24 hours. The annual output of flour amounts to 650,000 bags, valued at $1,800,000 at $2.80 per bag, and of wheat bran 114,000 bags, valued at $228,000 at $2 per bag.

The flour is consumed in Haimen, Taibsien, Soochow, Yangchow, Shanghai, Nanking (Kiangsu province), Wuhu, Anking (Anhwei province), Hangchow, Ningpo (Chekiang province), Tientsin (Chihli province), and districts in Fukien province. It is also consumed in Japan for wine distillation. The bran is consumed locally and in the districts of Yukao, Kiangyin, and Changshu, to be used in spirit distillation and as food for swine. The trademarks are "Rising Sun", printed in red or green color.

The company made a net profit of $250,000-260,000 in 1920 and 1921 respectively, $40,000-50,000 in 1922, and $70,000-80,000 in 1923.

5 Rice Mills

Ta Ta Kung Rice Mill Co.

Located at Tangkiacha, Nantungchow. Started in 1916 by Chang Chien with a capital of $60,000. Equipped with eight mills, each capable of turning daily 36 piculs of the grain with husk into 15 piculs of rice, and eight polishing machines, each capable of polishing daily 42 piculs of coarse rice into white rice, the working hours in a day being 10. These polishing machines are made in Shanghai, furnished with a 10 h. w. electrometer. They are operated by electric power, supplied from the Dah Sung Cotton Mill.

6 Iron Works

Sze Sung Iron Works

Located at Tangkiacha, Nantungchow. Started in 1905 by Chang Chien with a capital of Tls. 300,000. Equipped with a steam boiler, a steam engine, British-made, 12 drill presses, 12 forges, 20 screw presses, and 4 lathes. The works consumes annually 300 tons of pig iron, 100 tons of coke, supplied from Hanyang, Tayeh. and Pinghsiang, and 200 tons of cast iron, imported from foreign countries, principally America. It turns out 1,000 gins a year, of which 40 per cent are consumed locally and 60 in neighboring districts, the price being about $40 or so. It builds steam launches for inland navigation. Many of the vessels owned by the Ta Ta Inland Steam Launch Co. are made by this iron works. It also make accessories and acts as machine repairers.

Laborers total over 200, all male, chiefly natives of Ningpo. They work 11 hours a day, there being no night shifts. Sundays are fixed as holidays. Their wages average 40 cents a day.

7 Match Factories

Tung Sui Match Co.

Located at Tienshengkang, 18 *li* from the city of Nantungchow. Organised in 1915 by Yang Teh-tsing, but not started until 1920. Capitalised at $300,000, of which $20,000 was subscribed by Chang Chien. Equipped with a steam engine and an oil engine, both American made, 10 matchstick

making machines, 25 match making machines, two match-box making machines, and two machines for the application of the igniting material. Best poplar wood is supplied from Shantung, and ordinary willow wood from the local market, while pine wood is used only for boxes and when its price is low. Apart from phosphorus and potassium chlorate, 115,000 piculs of wood for making match-sticks and 45,000 piculs for making match-boxes are consumed annually. Safety matches as well as ordinary matches are manufactured. The daily output of matches is about 12 chests, each containing 120 packages of 15 boxes, amounting to 21,600 boxes in total. Prices average $33 per chest.

There are eight brands, the "Nantungchow," the "Unicorn" the "Whale in Waves" and the "Mountain Tower" being more popular. The product is popular north and south of the Hwai River and the lower reach of the Yangtze River.

Laborers employed in the factory number 500, about half being male and the other half female, and those especially for making boxes about 1,000. They work 10 hours a day with only two regular holidays in the month, but all stop work on rainy days, wet weather tending to change the color of the chips.

8 Electric Light Plants

Tung Ming Electric Light Co

Located at Tangkiacha, Nantungchow. Started in 1917 by Chang Chien and Chang Shu-yen with a capital of Tls. 60,000 Equipped first with four oil engines; and in 1920 with an additional oil engine, American-made, and four dynamos generating alternate current, sufficient to supply 10,000 lamps of 16 candle-power. This is the only important operating electric light plant in Nantungchow, the Nantungchow Electric Light Plant at Tienshengkang, which was planned on an extensive scale with a capital of $2,000,000, not having been started yet.

9 Film Companies

China Film Manufacturing Co.

This company was organised in 1922 with a factory at the East Park, Nantungchow. It produced in that year a number of films of scenery, and in the spring of 1924 it gave a series of picture shows to the public, lasting about a few weeks. At present, it is still lacking capital to carry on operations.

10 Farming and Salt Manufacturing Companies

There are quite a number of farming and salt manufacturing companies in Nantungchow and vicinity, as enumerated below: (*a*) *Land Reclamation and Salt Manufacturing Companies*: Ta Yiu; Ta Yu; Ta Feng; Hwa Cheng; Sin Tung; Ta Yu; Ta Kang; Chung Fu; Tung Sui; Sui Tsi; Ta Shun; Fow Tung. (*b*) *Land Reclamation Companies*; Sin Nan; Ta Fow; Fow Yu; Ho Teh; Tung Hsing (*c*) *Animal Husbandry Companies;* Tung Hai; Ta Lai; Tai Yuan; Tung Hsing; Tai Ho.

11 Communications Facilities

Wharves: There are four inlets near Nantungchow, viz: Yaokang, Jenkang, Lukingkang, and Tienshengkang, located respectively 4 *li*, 8 *li*, 12 *li*, and 18 li from the city. In regard to the first three, passengers and freight from ships must be transferred to barges, or cargo lighters for landing, the charge for such services being 20 cents, small money, and 3 coppers per passenger. After landing, passengers may enter the city by ricsha. Tienshengkang, the farthest removed from the city, is equipped with a modern wharf, which is connected with the city by motor bus lines.

Steam Vessels: For regular sailings, there are five steam vessels owned by the Ta Ta Sh pping Co., plying between Shanghai and Yangchow, and a number of steam vessels owned by the China Merchants' Steam Navigation Co., the Indo-China Steam Navigation Co., and the China Navigation Co., plying between Nantungchow, Shanghai, and other ports. The vessels of the Ta Ta Shipping Co. anchor at Yaokang, *Jenhang*, or Tienshenkang, and those of the other three navigation companies, at Lukingkang. Boats leave Shanghai at 1.30 p. m., arriving in Nantungchow at noon the following day; those leaving Nantungchow at 2.30 a. m., arrive in Shanghai at noon, the followingda y. For inland navigation, there are about two dozen steam launches owned by the Ta Ta Shipping Co., plying between Nantungchow, Haimen, Taihing, Yukao, and Tungtai.

Junks: There are a number of junks sailing between Nantungchow and Shanghai carrying cargoes, principally cotton, nankeens, wheat, beans and miscellaneous cereals.

Motor Cars: According to the records of motor car licenses issued in Nantungchow, there are 200 cars and 6 public buses, the latter conducting regular services between Nantungchow, Haimen, aud Yukao.

Ricshas: There are 800 ricshas in the district, largely owned by the pullers themselves. They are all equipped with pneumatic tyres.

Hand-carts: Records of taxes on vehicles show over 300 hand-carts in Nantungchow, owned chiefly by villagers.

Telephones: The Ta Chung Telephone Co. is located at Kwantibsiangkow in the city. The system and instruments used are similar to those in Shanghai. There are about 300 subscribers.

Modern Paint Factory Established Here

"Save the surface and you save all", well known motto of the paint trade in America will soon be extended to this part of the world owing to the establishment of a modern paint factory here. The Yung Koo Paint and Varnish Manufacturing Company, Limited, has been organised by a few returned students from the United States who learned the secrets of paint making in one of the largest paint manufacturing companies in America. The inauguration ceremony was held at the factory at 9 Li Yuen Road, outside West Gate, on Saturday noon, Jan. 8, 1927. Invitations were sent to contractors, architects, and all those who are interested in the paint business. A large crowd attended the ceremony and inspected the factory. The company was founded and is managed by K. S. Chen and T. H. Shen, both graduates of Cornell, and Hans T. Chun a graduate of Pennsylvania University. For several years K. S. Chen served as chemist at the Acme White Lead and Colour Works, of Detroit, one of the big affiliated factories of the Sherwin-Williams Paint and Varnish Manufacturing Company, of Cleveland. T. H. Shen was also connected with the same concern for a time, but later on worked for the Ford Motor Car Company in the capacity of a chemist in the automobile paint testing and experimenting department.

New Plant Well Equipped

The Yung Koo factory is well equipped with modern machinery. There are, 1 half-ton mixer, 1 large size 36" buhr-stone grinding mill for making house paint and 3 medium size buhr-stone mills for making enamels. All the machinery is of American manufacture. A big 'edge-runner' and a pulverizer were made to order by one of the local machine works. Besides there are a high speed centrifuge and a small pebble mill. The installation of the machinery is rather unique, but efficient. Each machine is gear-driven with individual motor attached, which has an advantage over the common-shaft belt-driven method in saving power and space. Besides, if any one of the motors should happen to breakdown or need repairing, it will not interrupt the work of other machines. The varnish stacks are different in construction from those commonly used by American varnish makers. The fireplace is built behind the stack and below the surface with a wall partition to isolate the varnish kettles. It is a kind of closed-fire stack. This is marked improvement over the old style open-fire stacks, for it can reduce the fire hazzard resulted from the ignition of hot varnish fumes by the open-fire flame, especially when the draft of the stack is poor. They have a chemical laboratory located between the office and the work, to test all the raw materials before using and to control the production.

While utilizing as much as possible the domestic materials like tung oil, linseed oil and perilla oil and some of the earth pigments to make the finished goods, they also purchase from all parts of the world some of their raw materials. For sample, the earth pigments come from France, Italy and Germany. Gums from Batavia and Manila and New Zealand; zinc and lead pigments and essential colours from Germany and America.

Among the products are high grade enamels, automobile varnish, gloss and no-gloss house paints, paste paints, hot-water-proof varnish, stain lac varnish, and oleo-kalsomine, a washable distemper of oil in water emulsion. The capacity is about five thousand pounds per day. The quality of the product is claimed to be equal, if not superior, to some imported goods of the same line.

Chinese Music
Arranged for the Piano

**PLUM BLOSSOMS,
A THREE MOVE-
MENT SUITE**

By Miss L. S. Hammond
Price, 35 cts.

The Commercial Press, Ltd., Publishers.

Reported Japanese Purchase of Chinese Sugar Refinery

A considerable stir was caused in Chinese financial circles this week over the reported purchase by Japanese interests of the China National Sugar Refinery Company, a Chinese concern promoted in 1921 by M. Y. San, well known Cantonese confectionery manufacturer.

The purchase terms agreed upon by the Chinese banking syndicate and the Japanese interests, are said to be practically as follows:

(1) This agreement is drawn by the Chinese banking syndicate and the Japanese financial agent on Nov. 1, 1926. The Syndicate shall advance $1,000,000 in Shanghai currency to the China National Sugar Refinery Company at the interest rate of 8% monthly. The interest shall be paid every three months.

(2) The Banking Syndicate shall assume reponsibility for the advancement of another one million dollars credit to the said company for the purchase of the raw materials from abroad.

(3) Within the period of five years the banking syndicate shall carry out the articles (1) and (2) without alteration.

(4) The company's property consisting of its factory site in Woosung with title deeds numbered from 294 to 299 and also numbers from 301 to 304, buildings, machinery and other outstanding assets are pledged to the Syndicate as guarantee against the mortgage of $1,000,000.

(5) The syndicate shall appoint a manager of the said plant for a period of five years. He shall have absolute power to direct the business and the works of the said plant including the employment of foreign experts. If anything unusual happen, the original promoters, must be consulted.

(6) The banking syndicate shall pay immediately $400,000 out of the $1,000,000 loan to clear the company's outstanding debts.

(7) The Syndicate will receive 30 % of the net profits each year as bonus and the said company will receive the balance of 70%

(8) The Syndicate shall not be concerned with any losses of the said plant during the life of this agreement.

(9) The original promoters shall handle any difficult problems that may arise concerning the exemption of export duty and likin in dealings with the company's product.

(10) The Syndicate shall organise a sales department for selling the company's manufactured product.

Company Promoted in 1921

The China National Sugar Refinery Company was promoted in 1921 by M. Y. San, a well known Cantonese confectionery manufacturer, who also owns a confectionery factory in Chapei and a confectionery retail store on Nanking Road. The initial capital of the sugar refinery was $2,500.000 which was oversubscribed. Later the capital of the company was extended to $10,000.000. The company was one of the largest Chinese industrial enterprises.

The reasons why the Chinese were so enthusiastic in the subscription of the shares of this company were many: First, the refinery was the first of its kind to be promoted in China; second, M. Y. San is a well known and experienced man in this line of business and besides many prominent business men including the late Hon Chang Chien were the directors of the company; third, the company was promoted shortly after the slump of the stock exchange boom in Shanghai when many lucky persons made a large fortune in the stock exchanges and invested their newly acquired fortune in this sugar refinery company.

Each share of the company was sold for $50 with one-fourth or $12.50 cash paid up when the company was organised and the balance was to be paid in three subsequent instalments of $12.50 each. The factory being located in Woosung consists of one hundred and some tens of mow of land. The machinery was imported from Germany and many Germans experts were employed. Some 25 machines were installed. The total daily production of sugar was said to be about one hundred tons. The factory began its operation in Nov. 1925 but shut down in spring in 1926.

The company actually received $2.500.000 from its shareholders in first instalments and only $500,000 in the second instalment last year for many shareholders refused to pay the balance due to the prevailing bad conditions of the company. The amount of accrued interest on the paid up capital from 1921 to 1926 is figured at about $500.000 thus making a total receipt of cash in hand amounting to $3,500,000. The present value of the entire plant including land and buildings, etc is estimated from $1,500,000 to $1,700,000 or about 50% of the original amount invested. The present price per share of this company has dropped to $2.80 on $12.50 paid up.

The factory suspended operation in the spring of 1926 owing to a debt of $400,000. Two months after suspension of operation a Chinese who is said to be a naturalized Japanese came to Shanghai and called upon the local Chinese banks to take over the entire business of the refinery plant for him. The bankers' Syndicate consisting of two local Chinese banks acted as receiver for the plant and later are said to have negotiated the deal for the sale.

Resolutions were passed in favour of handling over the entire plant at a shareholders' meeting held in November. In the meeting many shareholders are said to have raised strong objections to the agreement drawn between the banking syndicate and the purchaser, but finally they gave way on account of a threat made by a mob of workmen. At present twenty odd Japanese experts are said to be working in the plant.

The advantages deriving from the operation of this plant under the Japanese are announced: First, the Japanese control of this refinery company will eventually lead them to extend their influence in China's sugar market; second, the Japanese invest only $1,000,000 to control the plant worth $1.700,000; third, the National Sugar Refinery Company was registered in the Department of Commerce, Peking as a Chinese concern to be exempted from export, inland duty and likin of about 5% for ten years.

Spain Installs Modern Telephone Service Throughout Nation

According to a cablegram recently received by the China Electric company, Shanghai, a subsidiary of the International Telephone and Telegraph Corporation, King Alphonso, Gen. Primo de Rivera and some 200 Government officials of Spain, have just officially participated in the opening of a new "Standard" rotary automatic telephone service throughout Madrid and in some nineteen other leading cities of Spain.

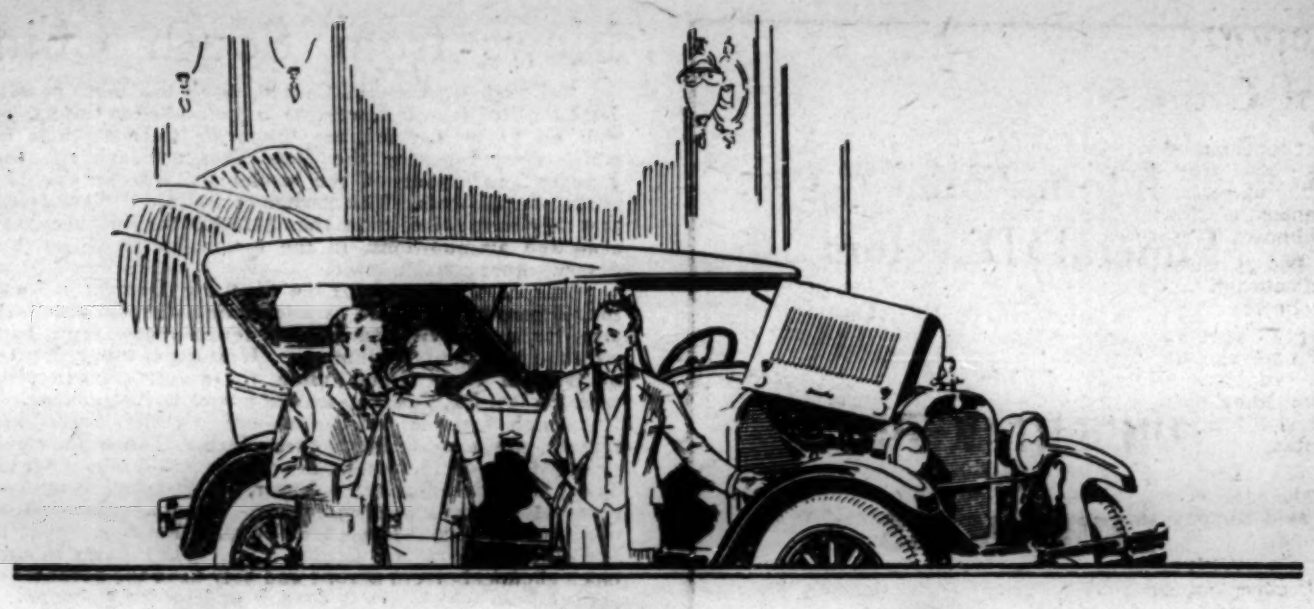
At the official inauguration service conversations were held by King Alphonso and Gen. Primo de Rivera with officials throughout Spain and across the Straits of Gibraltar with Spanish territory in North Africa. Starting at Madrid the service extended to San Sebastian on the Bay of Biscay, thence to Barcelona on the Mediterranean and then back to Madrid from which place the service was opened to Algericas and Ceuta in Morocco. From this point the service was then extended to Galicia and terminated at Corrunta on the northwest corner of the Iberian Peninsula, the total distance covered being equal to that from Madrid to Moscow. The Spanish company which operates the service is known as" Compania Telefonica National de Espana."

The China Electric Company which has offices in Shanghai and Peking was organized several years ago as a subsidiary of the Western Electric Company of the United States, but in August, 1925 the foreign holdings of the Western Electric Company were sold to the International Telephone and Telegraph Corporation. The Nippon Electric Company of Japan is also a subsidiary of this organization.

Nationalists May Back out of League of Nations

According to a report in *The Chicago Tribune* on December 9, by Henry Wales, the *Tribune's* correspondent at Geneva, China virtually withdrew from the League of Nations on December 8 when Shia Ting, the Chinese Nationalist's representative at Geneva brought pressure to bear practically forcing Chao Hsin-chu, the Peking Government's representative at the League, to promise to take no active part in the proceedings and to undertake no commitments regarding China, merely remaining as an unofficial adviser. In a statement issued to the press at Geneva, the Nationalist representative, Mr. Shia Ting, declared that the Kuomintang Government at Wuchang does not recognize the League and does not consider that the real China is a member. He also declared that after the Nationalists get into power that China will officially withdraw from the League unless the League recognizes China's complete sovereignty and independence. "The Peking Government is merely a camouflage for the Japanese interests which are backing Marshal Chang Tso-ling's army," he declared.

It also became known in Geneva, and the knowledge was received with considerable concern, that the Nationalist Party may withdraw from Geneva and join the pan-Asiatic League which Russia is organizing and which entered a decisive stage recently when Foreign Ministers Chicherin of Russia and Rouchdy Bey of Turkey met in Odessa during November.



Better Than Ever

Following their traditional policy of constant improvement with no yearly models, Dodge Brothers, Inc. during the past year have again vastly bettered their motor car. Never in a similar period have so many fundamental and popular improvements been made.

As a result, sales for 1926 were more than 30% above 1925.

DODGE BROTHERS, INC.
DETROIT, U. S. A.

The Dragon Motor Car Co., Ltd., Hongkong
E. W. Frazar & Co., Tientsin—Peking
The China Motors, Inc., Shanghai
The L. E. Gale Co., Hankow

DODGE BROTHERS
MOTOR CARS

International
Funeral Directors
71, KIAOCHOW ROAD

UNDERTAKERS
AND
EMBALMERS

Telephone West 6001—6002

At any hour—Day or Night

Our funeral charges are extremely moderate and within the range of all classes...

Announcing the

POH WEN BOOK CO.

Office and Show Room

Room 307 **25 Jinkee Rd.**
P. O. Box 432 **Tel. C. 6268**

Middle School, College, and
Commercial Texts

Representing:

Allyn and Bacon
Century Company
Gregg Publishing Co.
Prentice-Hall, Inc.

Write us regarding your textbook needs

News from South China

Railroad workers in Canton, once the most powerful faction of the labour movement in the Southern Capital, with Sun Fo as their chief, are preparing to renew their fight which started during the New Year holidays but ended January 5, in favour of the mechanics, who are openly opposing the radicals. The mechanics are said to have asserted that they have raised more than $120,000 for the purchase of arms and ammunitions, in the nationalist campaign hence deserve more consideration.

The Peasants Corps of the Hoifung District in Kwangtung according to report is negotiating for the purchase of arms through Soviet sources in order to renew their battles with the Merchants Volunteers. Hoifung is the home town of General Chen Chiung-ming, for a time chief in rivalry with the late Dr. Sun Yat-sen for power in Kwangtung.

Match factories in Canton and vicinity, according to reports, are considering the transfering of their activities to either Macao or Hongkong in order to avoid labour tyranny. The practical difficulty, however, is that they have heavily invested in lands and equipment. Most of the Cantonese match factories are located at Yimpao, Fatshan, Fongtsuen, and other outskirts of Canton City. They have to import much chemicals from abroad and only have the advantage of cheap labour which, now-a-days, is undergoing a change.

In order to minimize labour feuds in Canton General Li Tsai-hsin, Officer Commanding the Troops in Kwangtung, has stationed a company of Whampoa Military Academy cadets at Shekwaitong, a ferry station of the Canton-Samshui Railroad.

Vincent Chen, a brother-in-law of Mr. Sun Fo, is still blocking attempts to re-establish telephone service between Shameen, the foreign concession of Canton and Canton. Telephone users in Shameen are unable in many cases to have their telephones restored to connect the native city, a service the strikers cut off at the beginning of the boycott, June. 1925. Mr. Chen, who is superintendent of the Canton Telephone Exchange, according to his friends has refused service simply because many firms in Shameen have been unwilling to pay the rates for the period when the boycott was in progress. Some foreign firms in Shameen contend that, since they have been denied connection during the boycott, they should not be made to pay for service never rendered.

The Chen Hsueh Hui clique of Chinese politicians in Peking and Canton, according to reports current in Canton, are again active in assisting General Tang Chi-yao, Tuchun of Yunnan and also-war-lord of Kweichow, in the proposed campaign against Canton by way of Kwangsi. where certain military commanders are said to have expressed a willingess to assist when the time comes. Some even go so far as to predict that a certain militarist now in Canton is ready to lower the Red standard at the proper movement.

In explaining the reason for the soaring price of firewood in Canton, the Firewood Guild complains that in order to ship a junk load to Canton from the market at Linkong-hou, North River, for instance the shippers have to spend more than $335 for contributions to buy off bandits and troops from interfering with the running of the junk, and upon the return of the empty junk, another expense of $170 or more must be paid. To ship firewood by train, it used to be only $60 freight for a carload of 20 tons capacity; but now the rate is $250 or more, since the war tax and other additional charges. Firewood is now sold at $3 or more a picul in Canton.

The Chao-mei districts in Eastern Kwangtung, free from internicene war for more than a year now, has proved to be one of the best Kuomintang assets. The 15 districts in this group supply to the Kuomintang war chest more than $1,200,000 monthly. This amount includes some $1,000,000 monthly from gambling and $100,000 from the opium monopoly.

An effort is to be made in the immediate future to ameliorate the lot of Hongkong ricsha and chair coolies through the organization of a Mission similar to what is being done in Shanghai and other centres.

The charge against some 20 persons for having participated in the notorious *Sunning* piracy which took place near Hongkong when the ship was returning from Shanghai last November was concluded before the Hongkong Magistracy on January 7, when at least nine of the 20 were committed for trial before the Criminal Sessions at the Supreme Court. The case took 22 days and 65 witnesses were called. A number of solicitors appeared.

Vice-Admiral R. Y. Tyrwhitt, relieving, Admiral Edwin Alexander Sinclair as Commander-in-Chief of the China Station of the British Navy at Hongkong, took over command of the China Squadron and hoisted his flag on H. M. S. *Despatch* on January 7. Admiral Tyrwitt is proceeding from Hongkong to North China where British interests are requiring his attention.

Canton, January 15, 1927.

The Great Steel Fleet

Anniston City
Atlanta City
Bantu
Bessemer City
Birmingham City
Charlton Hall
Chattanooga City
Chickasaw City
Craster Hall
Crofton Hall
Ensley City
Fairfield City
Howick Hall
Knoxville City
Memphis City
Mobile City
Montgomery City
San Francisco
Santa Rosalia
Selma City
Steel Age
Steel Engineer
Steel Exporter
Steel Inventor
Steelmaker
Steel Mariner
Steel Navigator
Steel Ranger
Steel Scientist
Steel Seafarer
Steel Trader
Steel Traveler
Steel Voyager
Steel Worker
Tuscaloosa City
M/S Steelmotor
M/S Steelvendor

Isthmian Steamship Lines
50 Trinity Place
New York City
Branch Offices
Buffalo, N. Y. Syracuse, N. Y.
Cleveland, Ohio
Direct Steamer Service
from
New York, Philadelphia, Baltimore, New Orleans Galveston, Mobile and Pacific Coast Ports
to
India, China, Japan, Philippines, Dutch East Indies, Straits Settlements, Brazil (U. S. and Brazil Line), Chile, Peru (New York and South America Line), Mediterranean, Levant, U. K. and Continental Ports, Panama Far East Line, Gulf—Cuba Line,
also
Intercoastal Service
San Diego, Cal.
Los Angeles, Cal.
San Francisco, Cal.
Portland, Oregon
Seattle, Wash.
Vancouver, B. C.

Sixty-five years ago iron ships came into common use.

Forty years ago the ship builder discovered steel.

Today almost every ship afloat is made of steel. From the harbor lighter and the launch to the battleship and the ocean greyhound—the sea floats steel.

The United States Steel Products Company owns and operates a steel fleet of thirty-seven vessels—gross tonnage 202,036—which carries steel of every description to all parts of the world.

No port too insignificant—no port too great to be overlooked by the Great Steel Fleet, that chain of ships which is forging links of communication and transportation—bonds of friendship and understanding—between the nations of the world.

Exporters of the products of

CARNEGIE STEEL CO.
ILLINOIS STEEL CO.
AMERICAN STEEL & WIRE CO.
AMERICAN SHEET & TINPLATE CO.
AMERICAN BRIDGE CO.
NATIONAL TUBE CO.
TENNESSEE COAL, IRON & RAILROAD CO.
MINNESOTA STEEL CO.
LORAIN STEEL CO.

Branches and warehouses in all principal cities of the world

United States Steel Products Co.

30 Church Street, New York, N. Y.

UNION BUILDING, 1 CANTON ROAD, SHANGHAI, CHINA
YUSEN BLDG., MARUNOUCHI
TOKYO, JAPAN

THE NATIONAL CITY BANK OF NEW YORK

Head Office:

55 WALL STREET, NEW YORK.

Capital, Surplus and Undivided Profits

U.S. $140,000,000.

Branches in:

Argentine	Italy
Belgium	Japan
Brazil	Java
Chile	Panama
China	Peru
Cuba	Porto Rico
Dominican Republic	Straits Settlement
London	Uruguay
France	Venezela
India	

1-A Kiukiang Road, Shanghai.

Men and Events

Geo. H. Shank, contractor of Chicago, arrived in Shanghai this week on his way to Hongkong and Canton.

John Gillam of the British-American Tobacco Company at Hankow has arrived in Shanghai on a business trip.

C.V. Starr, manager of the American Asiatic Underwriters has returned to Shanghai from a business trip to New York.

T. H. Lowry connected with the Ford Motor Car Company in Yokohama, arrived in Shanghai last week on a business trip.

Admiral C. S. Williams, commander of the U. S. Asiatic Fleet arrived in Shanghai on Thursday Jan. 13, on the Flagship Pittsburgh.

Jacques Klass, manager of Plaza Hotel, Shanghai, was granted a divorce from Mrs. Elly Klass in the U. S. Court for China last week.

Both Nanking University and National Southeastern University of Nanking will close for the Chinese New Year Holidays on Jan. 21.

Rev. Ben L. Baker of Swatow, who with his wife and family, has been home on vacation at Freehold, N. J., returned to China last week.

Han-Min Huang who represented the Canton Nationalist Government at Geneva, is now on his way back to China, having sailed from France on Dec. 14.

Glenn Babb, representative in Peking for the *Associated Press* is in Shanghai and expects to spend several weeks here. Mr. Babb is staying at the American Club.

James A. T. Thomas, director of Mustard and Company accompanied by Mrs. Thomas and their family, has returned to Shanghai after a trip to America and Europe.

Miles W. Vaughn, correspondent for the *United Press* arrived in Shanghai from Tokyo on Sunday, Jan. 16 and will remain here for several days investigating conditions.

J. W. Huck, manager in the Far East for the Great Northern Railway, has returned to Shanghai from a trip to Manila. He was accompanied by Mrs. Huck on the trip.

A general meeting of the membership of the American Chamber of Commerce of Shanghai was held on Tuesday afternoon, Jan. 18 in the Assembly room of the American Club.

Dr. C. Noel Davis, commissioner of public health in Shanghai was the guest of honor at a 'Club Tiffin' given by the membership of the Union Club of China on Thursday, Jan. 18.

The American Consulate, at Antung is shortly to be closed, according to a Japanese *Toho* Agency report, which states that the Consul, Mr. Stanton is to be transferred to Mukden.

Spencer, Kellogg and Company, an American firm in Hankow has been instructed, according to a wire from the head office in New York to remove to Shanghai. Mr. O'Leary is the manager.

Dr. Edwin M. Poteat addressed the afternoon 'Song Service' at Community Church, Shanghai, on Sunday, Jan. 16. Joel Black presided at the meeting and there was a solo by Chao Mei Teh.

A meeting of the Board of Directors of the Pan-Pacific Association was held at the Union Club of China on Monday, Jan. 17, the guest of honor being Alexander Hume Ford, director and founder of the Pan-Pacific Union.

Percival Finch of the editorial staff of the *Shanghai Times* is departing for England on vacation the latter part of March. Mr. Finch is planning to travel home by way of the United States and will spend considerable time there.

Five British crusiers from the Mediterranean squadron, consisting of the Frobisher, 9,860 tons; the Danae, Dragon, Dauntless and Delhi, each of 4,650 tons, have been ordered to be in readiness for proceeding to China in case their services may be needed.

The village of Wanchipao, located about 50 miles east of the birthplace of Confucius at Chufu, Shantung province, was attacked by Chinese bandits on Jan. 11, and according to the account, all of the inhabitants were massacred, and the town burned.

At a meeting of the membership of the International Institute of China, Shanghai, on Sunday afternoon, Jan. 16, Dr. Gilbert Reid spoke on the subject, "Universal Love," and Tai Hsu, a Buddhist lecturer discussed the subject, "Self-Cultivation."

Serious looting by Chinese soldiers took place at Foochow, Fukien province on Jan. 15, the property of the Spanish mission, the Y. M. C. A. and missionary residences being affected. The mob also threatened to loot the churches in the foreign quarter.

Judge Milton D. Purdy on Monday, Jan. 17 granted two applications for divorce, Mrs. Dorothy Gould against Randall Gould and O. J. Todd against Mrs. Rheta L. Todd.

The Belgian Minister to China, M. de Warzee, announced at the opening of the Sino-Belgian treaty negotiations in Peking on Monday, Jan. 17 that Belgium was prepared to relinquish the Belgian Concession in Tientsin to Chinese control.

Wm. Martin, for several years connected with the China and Java Export Company and Andrews and George, but recently in business for himself under the firm name of Wm. Martin and Company, died on Friday, Jan. 14, following an operation for empyrema.

Dr. Geo. W. Truett of Dallas, Tex., who was scheduled as convention speaker at missionary meetings at Kuling next summer, will not be able to come to China, according to news recently received. Dr. Truett is said to be one of the leading preachers in the United States.

Miss Barbara Lorenz, Miss Jeanne Perkins and Miss Margaret Chisholm have arrived in Shanghai to join the staff of the Chinese Young Women's Christian Association, Misses Lorenz and Perkins having been students in the Peking Language School while Miss Chisholm arrived directly from Scotland.

Dr. H. L. Hargrove formerly connected with Chung Chow University, Kaifeng, Honan province, accompanied by his family and a group of missionaries is departing on February 25 for a trip through Europe following which he will go to America. Dr. Hargrove has resigned from Chung Chow University and in future will be connected with the travel bureau of an American tourist agency.

A serious strike of the employes of Sincere's, one of the Shanghai department stores occured on Thursday, Jan. 13, the number of idle being 650. The cause of the strike was the refusal of the proprietors to grant an increase in pay. It is reported that unions of employes in the other two department stores, Wing-On's and Sun Sun's are being formed and that the strike may spread to these stores also.

Arthur Ransome, well known writer on the staff of the *Manchester Guardian*, is scheduled to arrive in Hongkong on the S. S. Kashgar from England on Jan. 21. Sometime ago the officials of the Nationalist Government received a telegram from the *Guardian* stating that Mr. Ransome was coming to China for the purpose of investigating conditions and asking the Nationalist officials to extend him all possible assistance.

All Chinese schools in Kaifeng, Honan province, were closed recently owing to fear that students and teachers might be subjected to danger on account of the disturbed political situation. There recently have been many beheadings of political opponents in the Honan capital and according to report, it was rumored about that some of the students and school officials might suffer a similar fate, hence the sudden order to close the schools.

Alphonse van Biervliet, Consul-General for Belgium and Netherlands in Hankow was seized by a mob of Chinese coolies and dragged through the streets of the city on Jan. 12, the coolies apparently having been hired by a Chinese merchant who used this method of retaliation owing to having lost a suit against a Dutch firm in the Chinese court. The Nationalist Government has issued a warrent for the arrest of the Chinese merchant.

Valerian E. Morovsky and Anatole V. Sazonoff, officials of the late Siberian Provisional Government at Vladivostok were sentenced to three months and one month imprisonment, respectively, and ordered expelled from the French Concession on Jan. 11, according to action of the French Mixed Court. The action was brought upon information supplied by the Shanghai Consul-General of the U. S. S. R. who charged that the men were engaged in the counterfeiting of stamps of the late Siberian Provisional Government.

Admiral C. S. Williams, commander of the China Squadron, U. S. Asiatic fleet, arrived in Shanghai on Jan. 9 on the U. S. S. Pittsburgh from Manila. The Pittsburgh carries 103 marines and has a total landing force of 307. Admiral Williams is a native of Springfield, Ohio, where he was born in 1863. He had service in the Spanish War and World War and prior to his appointment to the China station was president of the Naval War College at Newport, R. I. Admiral Williams expects to retire from active service following the expiration of his service in the Far East.

The old Shanghai Town Hall, located at No. 50 Nanking Road, was sold on Friday, Jan. 15 to the China Company, Ltd., a Chinese concern which will begin shortly the erection on the site of a modern department store similar to the Wing On, Sincere and Sun Sun stores in the same vicinity. The property consists of approximately 6½ mows or abont one acre and the sale price is reported to have been Tls. 1,200,000. The site was purchased by the Shanghai Municipal Council in 1882 for Tls. 25,000. The China Company, Ltd., which is capitalized at $5,000.000 will erect a modern 8-storey department store and hotel on the area, the cost of the building to be around $1,500,000. The deal was negotiated by the Asia Realty Company.

Keds

and

Basketball

When the ball is in the air, the forward with the sure footing is the one who gets the jump on his opponent.

That's why Keds are to be found wherever there is a BASKETBALL game going on.

When Keds are worn, the game is certain to be more exciting and the players peppiest. It's because Keds are always cool and comfortable.

For Sale by Shanghai Dealers

United States Rubber Export Co. Ltd.

17 Jinkee Road Shanghai

The Largest Manufacturers of Winding Machines in the World.

LEESONA

REG. U.S.PAT. OFF.

MANCHESTER PARIS BOMBAY

SHANGHAI OSAKA TOKIO

UNIVERSAL WINDING CO.

BOSTON U.S.A.

Developments in the China Situation for the Past Week

The outstanding element in the news of the week has been the announcement from Peking that Marshal Chang Tso-ling has also decided to become a patriot and has started an agitation for the taking over of the British Concession in Tientsin by the Fengtien Party and the convertion of the area into a special administrative district. The news regarding this important development was at first denied by *Reuters* Peking correspondent, but later was confirmed after the Japanese *Toho* News Service had sent out several stories on the subject. According to the *Toho* Agency reports on Jan. 15 the movement for the abrogation of the British Concession in Tientsin was started by the Fengtien politicians for the purpose of proving to the Chinese people that Fengtien is not behind the Nationalists at Hankow when it comes to the matter of recovering China's rights. The report circulated under a Peking date line on Jan. 15 stated that "While Fengtien is opposed to the steps the Nationalist Government has taken at Hankow, nevertheless the desire to restore the foreign concessions is unanimous among the Chinese people. Therefore we advise the British to voluntarily take the initiative in surrendering the British Concession at Tientsin to the Chinese in order that the territory can be converted into a 'special area' and in future leave the maintenance of order in the hands of the Chinese Peace Preservation Forces, so that more friendly relations may be promoted between Great Britain and China." According to the report, Gen. Yang Yu-ting, chief-of-staff of the Fengtien military party has already discussed the subject of the British Concession in Tientsin with Miles W. Lampson, the new British Minister.

Marshal Chang Tso-ling

Negotiations at Hankow

Although negotiations between the British and Chinese at Hankow over the question of the restoration of the British Concession at Hankow have been in progress for some time, there has been no announcement regarding the possible outcome, the most ticklish element on both sides being that of 'face' or prestige. The British have sent a considerable force of gunboats to Hankow under the command of a Vice-Admiral and in addition have detailed Messrs. O'Malley and Teichman from the Legation at Peking to Hankow for the purpose of negotiating with Eugene Chen, Minister of Foreign Affairs of the Nationalist Government. In view of the obvious impossibility of the British to send any large force to Hankow until the rise in the Yangtsze next March, they are naturally handicapped on the prosecution of any possible plans for direct intervention to force the issue. Furthermore, the British are faced with the question as to whether it would pay in the long run to force the issue. for the result undoubtedly would be a prolonged boycott against British interests which might conceivably destroy British trade on the Yangtsze entirely. And still further, such an action in all probability would have the effect of uniting all factions of the Chinese against the foreigners, something which has also been suggested in the reports from Peking which stated that Chang Tso-ling, the Mukden warlord had unofficially hinted to the British Minister that it would not be advisable for the British to use drastic measures with the Nationalists at Hankow.

Compromise Possible

Although no one can foretell what may happen in the future relations of the British and Chinese, it is quite possible that the Hankow question will be settled by a general compromise that would save faces all around. In short, the Nationalists might agree to permit the British to resume control of their concession, but on condition that in future, the defense of the area would be left to the Chinese. Then the British might, quite gracefully agree to begin negotiations with China for the rendition of all of the Concessions to Chinese control. It is scarcely conceivable that the Powers will continue much longer to withstand Chinese demands for the surrender of the Concessions. At the Washington Conference all of the Powers signed a treaty in which they agreed to guarantee the administrative and territorial sovereignty of China throughout all of her territories. Well, if this treaty means anything, and it is assumed that it does mean what it states, then it is difficult to understand how the Powers can much longer insist upon maintaining control of the foreign concessions. The problem is a difficult one at the present owing to the unsettled political conditions existing in China, but in the face of a unified Chinese demand for the control of the Concessions, it is difficult to see how the Powers could hold out, unless of course, they decided to scrap the Washington Treaty and send troops here for defending the foreign areas.

North and South Still Deadlocked

The general situation from the standpoint of conflict between the North and South still remains at a deadlock. Military movements of a minor character have taken place in Honan and Chekiang, but both are inconsequential in character. Marshal Sun Chuan-fang has succeeded in re-establishing his control in Chekiang, but all of the ifighting has been on the 'guerilla' order, consisting chiefly of minor engagements between different factions of Chekiang troops. Thus far Sun has not come into contact with any organized force of Nationalist troops, most of those opposing Sun being Chekiang troops which have recently rebelled against him.

In Honan there has been some evidence of Wu Pei-fu coming to life and moving down in the direction of Hupeh, but like Chekiang, most of the fighting in Honan recently has been between Wu and forces which were formerly under his banner. The 'Christian' General, Feng Yu-hsiang, who has been moving toward Honan from Shensi and Kansu, has been making slow progress due chiefly to a shortage of munitions. He has to transport all of his munitions from Russia over an almost impassable desert country without modern roads, hence he probably will not have sufficient munitions on hand for hostilities on any considerable scale before spring. In the meantime, Chang Tso-ling is trying to improve his position in Honan by sending Fengtien troops into the province from both the North and East, those from the North coming down over the Peking-Hankow Railway under the command of Marshal Chang's son, Gen. Chang Hsueh-liang, while those from the East are advancing from Shantung along the Lung-Hai Railway under the command of Gen. Chang Chung-chang, tupan of Shantung. Even though the Northern militarists have announced that they have settled all of their differences and have adopted a unified scheme for opposing the South, the situation does not yet look convincing.

Nationalists Meet in Hankow

Gen. Chiang Kai-shek, Tang Sun-tse and other military leaders of the Nationalist forces are now in Hankow holding a conference with Eugene Chen and the other civil officials of the Nationalist Cause. According to the *Hankow Herald* for Jan. 13, Gen. Chiang Kai-shek was received with great acclaim in Hankow when he delivered an address at the Chinese Race Course in the course of which he issued an appeal to the Chinese people to (1) united to support the revolution and the Nationalist Government; (2) obey the mandates of the Nationalist Government; (3) join and follow the Kuomintang, for the Kuomintang is the guardian of your interests! Among those present at the gathering were Ho Hsiang-yin, Hsu Chien, Madame Sun Yat Sen, Koo Meng-yu, Peng Cheh-ming, Teng Yen-ta, Chiang Tso-pin, M. Borodin, Russian civil adviser and Gen. Galen, Russian military adviser. The Russians also made speeches congratulating the Nationalists on the capture of the British Concession and urging the Chinese to unite against the 'counter-revolutionists' and the imperialists. An interesting phase of the Hankow situation has been the bid for support which the Nationalists have made to the other 'oppressed' peoples in the Far East, the Koreans, the Annamites and British Indians.. One report stated that some sixteen British Indians had joined the Kuomintang and were parading through the streets of the British Concession singing revolutionary songs.

Koo Cabinet Carries On

In accordance with his decision to permit the Wellington Koo Cabinet stand for the present, the Cabinet held a meeting on Jan. 12 and decided upon the following personnel: Acting Premier and Minister of Foreign Affairs, Dr. V. K. Wellington Koo; Minister of Interior, Hu Wei-teh; Minister of Finance, Tang Ur-ho; Minister of War, Chang Chin-hua; Minister of Communications, Pan Fu; Minister of Navy, Admiral Tu Shih-kwei; Minister of Justice, Lo Wen-kan; Minister of Education, Jen Koh-chen; Minister of Agriculture and Commerce, Yang Wen-kai.

From the Chinese Press

January 10-11.—All Britons evacuated from Kiukiang and local General Teng Yen-teh reported to have warned Commissioner of Customs that in case he does not carry on his duties he will be dealt with in 'accordance with Chinese law'—Gen. Wang Pu expected in Wuhu and conditions easier although shops remain closed; also reported that Gen. Chen Tiao-yuan will return shortly—Gen. Yang Sen suddenly arrests Gen. Wei Chieh and disarms his bodyguard of 200 soldiers who are quartered on two American boats, several passengers being wounded and their effects looted, Yang Sen's action being precipitated by Gen. Wei's refusal to obey orders—Fengtien party now considering action similar to Nationalist Government in assessing customs surtax, taking over concessions and abolishing extraterritoriality; conservative interests in Fengtien party advocating compromise with South especially on matter of unifying China's diplomacy—Gen. Chu Yu-puh, tupan of Chihli arrives at Nanking for conference with Sun Chuan-fang—Eight British destroyers arrive in Hankow and Mr. O'Malley, councillor of British Legation in Peking starts negotiations with Nationalist Government over question of Hankow Concession—Japanese and Russians come to understanding on question of exploiting forestry concessions in Siberia and Saghalien Island, negotiations having been conducted in Moscow—Nationalist Government, Hankow, announces plan for administration of British Concession by a Chinese commission composed of the Ministers of Foreign Affairs, Communications and Finance with the Minister of Foreign Affairs as chairman—Eugene Chen notifies British that the Nationalist Government alone will negotiate on the question of preserving order in the British concessions in Hankow and Kiukiang—Nationalist Government announces that in future the number of Chinese police in the British Concession will be reduced and that only fifty Sikhs will be retained; Shen Jen-Hwa, police chief in the native city of Hankow will assume charge of the police control in the Concession—*Kuo Wen* Agency report states that British Minister Lampson, who has heretofore been conciliatory, will now adopt a 'strong' policy in respect to the Hankow situation and has instructed the British Admiral to intervene and restore the British Concession—Mukden party dispatches representative to interview Mr. Lampson urging him not to adopt too harsh a policy over the Hankow situation—Reported reorganization of Peking Cabinet may transfer Pan Fu from Ministry of Finance to Communications—Reported that Gen. Yu Tsung will depart for South on Jan. 11—Nationalist military officers confer in Nanchang and are seriously disturbed by the successes of the force of Sun Chuan-fang in Chekiang; Southerners will continue campaign on three different routes.

January 12—British banks Hankow still remaining closed—Gen. Liu Tso-lung returned to Hankow from Nanchang while Generals Teng Yen-Tah and Chiang Kai-shek accompanied by Koo Meng-yu, Madame Ho Hsiang-ning proceeding to Hankow shortly from Kiangsi—French Consul-General Hankow receives instructions to take extra precautions against disturbances in French Concession—Chinese shortly creating Appeals Court in

Direct to Chicago

on the "North Coast Limited"

From steamship dock to railroad station, and then straight across the Pacific Northwest to Chicago—in 70 hours! This is what you can do by taking one of America's fine trains east from Seattle—"The North Coast Limited."

NORTHERN PACIFIC

You make no changes in berth, car, or train all the way—one service from Seattle as far east as Chicago! Convenient connections at Chicago to any place East or South.

You will enjoy Northern Pacific meals.

Newest of Pullman sleeping cars! Newest of observation cars! Barber, valet, ladies' maid, and countless comforts to make your trip delightful.

There is no extra charge for riding on this train.

For rates and literature apply to

R. J. Tozer, *General Agent,*
609 Robert Dollar Bldg., Shanghai, China.

Northern Pacific Ry.

(155)

THE PORT OF SEATTLE

Shortest and Most Direct Route to the United States

Great Capacity and Size

The Oriental Shipper can always be assured of accommodations when he ships via Port of Seattle.

Two of the largest ocean terminals of the pier type in the world are owned and operated by the Port of Seattle.

These two piers, each approximately one-half mile in length, one 310 feet wide and the other 365 feet wide, represent the last word in terminal efficiency.

Over a million tons of freight has been handled over Smith's Cove Pier 40 in one year alone, with a dispatch and economy that would have been impossible on any existing pier in other ports.

Regular Service to Practically Every Port in the World

Low Monthly and Season Storage Rates

ADDRESS

Port of Seattle

SEATTLE, WASHINGTON

Write Traffic Department for Rates, Space and Sailings

EQUITABLE EASTERN BANKING CORPORATION

Capital, Surplus and Undivided Profits....US$3,000,000

HEAD OFFICE—37 WALL STREET NEW YORK

Shanghai Office: 6 Kiukiang Road, A. E. Schumacher, Mgr.

Hongkong Office: 6 Queen's Road, Central, D. M. Biggar, Mgr.

Travelers' Letters of Credit and Travelers' Checks issued.

Drafts issued on all the principal cities of the world. Telegraphic Transfers effected.

Credits granted on approved securities.

Interest allowed on Current Accounts and Fixed Deposits in Taels, Dollars, and Foreign Currencies according to arrangement.

Every description of Banking and Exchange business transacted.

Subsidiary of

THE EQUITABLE TRUST COMPANY OF NEW YORK

Capital and surplus.....US$ 50,000,000

Head Office: 37 Wall Street New York

Foreign Offices

LONDON PARIS MEXICO CITY

Shanghai to be composed of the following; Hsu Yuan, Judge; Peng Ming-chin and Wang Sze-hsien, Assistant Judges; Dr. Kao Chun-hsiang and Chao Pao-tsung, English and Chinese secretaries; Court will open on February 1—Personnel of Koo Cabinet will include Tang Erh-wo for Finance; Pan Fu, Communications; Tien Ying-chin, Interior; remaining officers same as at present—Saburi of Japanese Foreign Office interviews Gen. Li Chi-shen and Tai Tien-chou at Canton—Canton labor unions protest recent regulations for controlling strikes—China Merchants steamers Kiangli, Hsinhua and Taishun held for several weeks at Canton finally released and unloaded upon the Company's contributing $50,000 to the Seamen's Union—Fengtien Party will announce taking over of customs surtaxes tomorrow the order to become effective on Feb. 1—Japanese reported preparing to lodge official protest as a violation of the treaty—Wang Chung-Hui, according to Japanese *Toho* Agency says that the control of the British Concession at Hankow will provide a test of China's ability to administer foreign areas so that there will be no further foreign reasons for refusing rendition of other concessions;-that action of Southerners in taking over the Concession will lessen the dignity and validity of the treaties, but that the Northerners instead of trying to take over the Tientsin concessions should rather devote themselves to internal administration improvement; that while the Chinese should confer with the Powers over the question of the Concession and the Tariff that the break down of recent conferences showed that it was impossible for China to accomplish anything in this way, hence she was compelled to act independently and levy the surtaxes—O'Malley, councillor of British Legation arrives at Hankow to start negotiations over return of Concession.

January 13.—Hotel employes in Canton still on strike—Peking Cabinet decides to issue mandate enforcing collection of Customs surtax—New Peking Cabinet personnel consists of Wellington Koo, Foreign Minister and Acting Premier; Hu Wei-teh, Home Minister; Tang Erh-ho, Finance Minister; Pan Fu, Communications; Gen. Chang Ching-hui, War Minister—Eugene Chen, Foreign Minister. Hankow taking special precautions to protect foreign lives and property, orders removal all anti-British posters, but British merchants still refusing to resume business until negotiations concluded between British officials and Chinese over status of British Concession—British residents begin evacuation of Ichang owing to anti-British agitation—Wu Chin, representative of Chang Tso-ling notifies Peking newspapers that (1) that Honan still controlled by Wu Pei-fu who will be supported by Mukden party and that although Gen. Yu Tsung of Mukden party will cooperate with Wu Pei-fu, that Mukden will not usurp authority in Honan; (2) that Cabinet will be controlled by Wellington Koo without interference of Chang Tso-ling; (3) that while the Mukden party favors Nationalist's action at Hankow in reference to the taking over of the British Concession—Eugene Chen of Nationalist Government issues circular telegram urging Chinese to cease anti-British agitations during progress of negotiations at Hankow—Sun Chuan-fang claims success in Chekiang fighting.

January 14—Generals Chiang Kai-shek, Tang Sun-tse and Peng Tse-min, Koo Meng-yu and Madame Ho Hsiang-ning of Nationalist Government arrive in Hankow from Kiangsi province—Chinese employes of Hankow Customs House strike—Peking Cabinet issues mandate (1) that preparations be made at once for abolition of likin; (2) that enforcement of 2½ and 5 percent surtaxes be on February 1; (3) that increased revenues from Customs be used for abolition of likin, readjustment of domestic and foreign loans and urgent administrative expenses—Japanese issue unofficial statement opposing Peking Cabinet's action in enforcing Customs surtaxes—Kiukiang customs house resumes business, while British concession being patrolled by troops of the Nationalists Sixth Army and situation quiet and that Japanese return to their homes and businesses—Cabinet notifies Marshal Sun Chuan-fang at Shanghai not to take independent action in seizing Customs surtaxes as this would interfere with Peking's plans to issue large domestic loan—Other Cabinet officers appointed by Peking Government include Admiral Tu Shih-kwei, Minister of Navy; Lo Wen-kan as Minister of Justice; Jen Koh-chen, Education and Yang Wen-kai as Minister of Agriculture and Commerce—Tsingtao municipal authorities adopt reform measures recommending (1) that wharves be reconstructed; (2) that telephone system be improved; (3) that new roads be constructed; (4) that waterways be dredged and water supply purified; (5) that attention be given to public sanitation—Japanese *Toho* Agency report from Peking states that Peking Cabinet contemplating higher rates than 2½ and 5 percent pending Tariff autonomy and that Government urge Powers to

(*Continued on page VI*)

New Books of Interest in the Far East

The True Christianity

Why Is Christianity True? By E. Y. Mullins, D. D., LL. D; Philadelphia: The American Baptist Publication Society.

Christianity is nearly two thousand years old. It was founded under peculiar circumstances by Jesus about whose true life and teachings we know little. The apostle Paul is considered a great exponent of the teachings of Christ, but Gerald Massey has argued that Paul was not a believer in the physical Christ, and that this was the chief point of difference between Paul and Peter. It is now known that Paul never wrote many of the epistles attributed to him. The four gospels never assumed their present form for at least two hundred years after Christ. Everything beautiful in them can be traced to some ancient Egyptian or Greek writing. It is also clear that time and again much has been added to and substracted from the four gospels. The gospels are much superior to the old testament in which the immortality of the soul is absent, and Jehova is advising his chosen people to cheat, kill and rob others in his name. The loving Father of Jesus is infinitely superior to the jealous and vindictive God of the Jews. There is little narrowness in the teachings of Jesus, while the Jewish Testament is full of intolerance and fanaticism.

The ethics of the New Testament are excellent, but similar things are found in the teachings of Confucius and Shakyamuni. The golden rule was known to the Chinese sage, and the sermon on the Mount is found in essence in the teachings of Goutama.

The author makes out a strong case in favour of a personal God. But a personal God does not stand the acid test of reason. It can have little appeal to a scientific mind. If God is a person, He must be limited in time and space, and therefore can not be immortal or infinite.

If God is all-wise and all-good how did such a large amount of sin come into the world and who created it? He must have thought of sin when he created a hell Whence have sufferings and misery come into the world of an all-loving God of the Bible?

> The tigers, who designs and makes,
> Beings to kill and live on flesh;
> Poison who puts in fangs of snakes,
> And teaches spiders flies to mesh.

If cats could think of a God they would concieve of him as a big healthy cat having good soft mice to eat at any time.

The book under review contains a scholarly criticism of materialism, pantheism, agnosticism, etc., and there are several new arguments which are not found in the writings of Flint. This is the interesting part of the book and shows that the author is a man of uncommon intellect. But his criticism of panthiesm does not apply to the Hindu theory of Vedanta which offers the most scientific conception of God. The author's defence of the virgin birth of Christ is interesting: In fact many of the great men of old are supposed to have been born of virgins. Plato is supposed to be the son of Sun God, born of a virgin, and so Krishna of India.

The author holds that Christianity is a progressive religion. If so, why such opposition to new scientific discoveries in the middle ages? Is the Christianity of Augustine different from the Christianity of to-day? The author insists on the physical ressurection of Christ and quotes a number of proofs in support thereof. The arguments are quite intersting, though they are too old. This is also an old superstition and many men of old are said to have risen from the tombs. Kabir of India is one of them. Many of the Sufees of Persia and Bokhara are said to be men of that class.

The chief value of Jesus and his teachings lies in the great ethical teachings found in the Bible, and they do not suffer at all if one does not believe in the Immaculate conception or Ressurection. Any attempts to chain Christianty to these dogmas will be futile. The attempts of the modern Theosophy to perpetuate the Hindu superstitions by explaining them have failed and brought the Theosophy of Blavatsky under disrepute. Such will be the fate of those who want to limit Christianity to a few unscientific dogmas.

The book shows that Christianity has exercised a good moral influence over the people who have accepted its teachings. We admit that it has considerably minimised Jewish fanaticism. Students of orthodox theology will find the book useful, but those who are of a scientific frame of mind and can think for themselves will find little reason in it. The author however deserves credit as a lucid writer who has been quite successful in presenting the case of his religion in simple direct form, free from fanaticism.

H. P. Shastri

Shanghai Jan. 13, 1927.

International Trade and Silver

"International Trade Between Gold and Silver Countries: China 1885-1913." By C. F. Remer. Reprinted from The Quarterly Journal of Economics, Vol. XL, August, 1926.

In his study of this subject, Mr. Remer has achieved a thoroughly interesting but extremely academic study of the movement of imports and exports in China trade, and their inter-relation to, or, more precisely, their performance in conjunction with movements of silver exchange.

The author shows, not only through his argument, but also by means of graphic charts and tabulated statistics, that certain reactions in silver exchange are followed at comparatively regular intervals by definite trends in the import and export trade.

Aside from making interesting abstract reading for those engaged in the foreign trade of China, this treatise is one of a series of studies of the effects on foreign trade of fluctuations in silver-gold exchange as applied to countries who's currencies are based on silver in their trade relations with the "gold Standard" countries, which series might well be studied by traders taking an interest in fundimentals.

While the conclusions reached by the author are of no definite and immediate "money value" to the business man, the data given represents careful study backed up by statistics of the greatest obtainable accuracy, and covers a field of investigation which the merchant has no time to pursue, and which, if linked up with studies of a similar nature pertaining to other "silver" countries can very conceivably be an important step toward the compilation of a set of Statics usable by business houses in formulating their broad trading policies in these "silver" countries.

H. C. G.

TRADE MARK
J.V.R. Jennent
LAGER BEER
Gande, Price, Ltd.

SCOTT'S EMULSION

NATURE'S LUNG HEALING & BODY BUILDING FOOD
Each Spoonful Leads to Health.
Agents For N. China
Brunner, Mond & Co., (China) Ltd.
Incorporated Under the Hongkong Ordinances

Walk-Over

Shoes for Men and Women

ALEXANDER SHOE CO.
39c Kiangse Road, Shanghai

The Report on

EXTRATERRITORIALITY

Copies of the Report of the International Commission which investigated the Practice of Extraterritoriality in China may be obtained by addressing The China Weekly Review, enclosing the sum of $1,00 to cover cost and postage.

The Report contains four sections as follows:

Part I.—Present Practice of Extraterritoriality in China.

Part II.—Laws and Judicial System of China.

Part III.—Administration of Justice in China.

Part IV.—Recommendations.

In addition there is an appendix containing the Declaration of the President of China to reform the laws and administration of justice; a summary of clauses from the treaties containing the Extraterritorial provisions; a list of modern Chinese courts and prisons and a report of the Committee which toured North and Central China investigating conditions.

THE CHINA WEEKLY REVIEW

4, Avenue Edward VII
Shanghai.

American Gold Bond Quotations

Name of Security	Coupon Rate %	Date of Maturity	Sale Price Jan. 6th.	Sale Price Jan. 13th.	Approx. Yield to Maturity Jan. 13th.
Szecho-Slovak Govt. Sinking Fund Loan...	8	Oct. 1, 1952	105⅛	105¾	7.50
Cuban Domin. Sugar Co. 1st Lien S. F. Loan...	7½	Nov. 1, 1944	100	100½	7.45
Republic of Chile S. F. Loan	7	Nov 1, 1942	100½	101	6.90
Argentine Government Ser. "A".....	6	Sept. 1, 1957	98¼	98½	6.10
German Governments S. F. Loan.....	7	Oct. 15, 1949	107	107	6.40
Kingdom of Norway S. F. Loan.....	6	Aug. 15, 1943	101¾	102¼	5.80
Deutsche Renten Bank 1st Lien Farm Loan	7%	Sept. 15, 1950	101⅝	102	6.85
Can. Pac. R. R. Co. Debenture Stock.....	4	Perpetual	85¼	85½	4.68
Belgian Government S. F. Loan.....	6	Jan. 1, 1955	94	95¼	6.35
Andes Copper Mining Co. Debentures.....	7	Jan. 1, 1943	108	108¼	6.15
German General Electric Co. S.F. Loan....	7	Jan. 15, 1940	104	104¼	6.55
Saxon Public Works Inc. 1st Mtge. Guaranteed S. F. Loan....	7	Feb. 1. 1945	101¾	102½	6.75
Cuban Northern R. R. Co. 1st Mtge. Loan....	6	July 1, 1966	100	101⅛	5.90
Dodge Brothers Inc. Debentures	6	May 1, 1940	95⅞	95½	6.50
Republic of Haiti.....	6	Oct. 1, 1952	99½	100½	6.00
Czecho Slovak Government Ext. S.F. Loan..	7½	Oct. 1, 1945	105	106½	6.90
Kingdom of Italy, Ext. S. F. Loan.....	7	Dec. 1, 1951	93⅜	95⅛	7.40

The National City Company International Bank Building No. 2A Kiukiang Road, Shanghai, China.

These quotations are subject to confirmation by the National City Company of New York.

Shanghai Exchange for Week Ending Wednesday, Jan. 19, 1927

By Maitland, Fearon and Brand

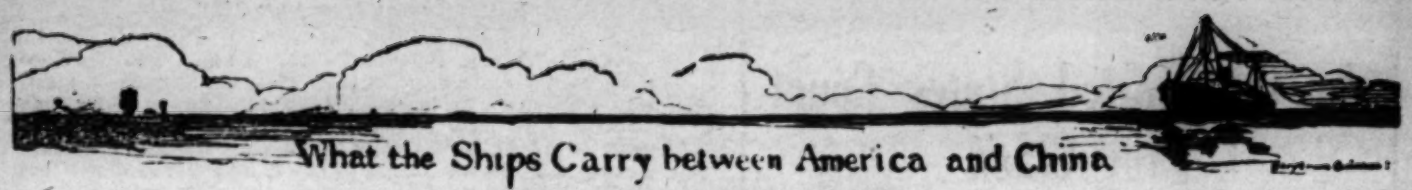
Exchange:—The price of Bar Silver has improved $\frac{7}{16}$d. in London during the past week, today's prices are 25 $\frac{15}{16}$d. ready and 25$\frac{3}{4}$d. forward. The official T/T rate on London has advanced from 2/5$\frac{1}{2}$d. to 2/6d. The exchange market has been somewhat erratic and is highly sensitive, rates have constantly fluctuated in relation to the price of Gold Bars, transactions in which have constituted the major operations of the week. The exchange market seems to be steady for cash but on the easy side for forward deliveries. The tone at the close is most uncertain with sellers of Cash T/T as follows:—London 2/6$\frac{3}{4}$d., New York 62$\frac{1}{8}$, Yen 78$\frac{3}{4}$. The is still a premium offering for ready money.

Our stocks of silver are reported as follows:—
Sycee and Bar Silver.....Tls. 67,531,000 a decrease of Tls. 1,327,000
Chinese and Mexican Dollars.....$ 74,190,000 an increase of $ 1,810,000
Estimated value Tls.120.947 000 as against Tls.102.452,000 held at this time last year.

	Average rates for Dec.	Thursday Jan. 13	Friday Jan. 14	Saturday Jan. 15	Mon. Jan. 17	Tues. Jan. 18	Wednesday Jan. 19
Bank's selling rates		*opening closing*	*opening closing*	*opening closing*	*opening closing*	*opening closing*	*opening closing*
T/T London	2/4.790	2/5⅛	2/6	2/6	2/6	2/6	2/6
D/Dfts ,,	—	2/5 $\frac{9}{16}$	2/6 $\frac{1}{16}$	2/6 $\frac{1}{16}$	2/6 $\frac{1}{16}$	2/6 $\frac{1}{16}$	2/6 $\frac{1}{16}$
4 m/s ,,	—	2/5$\frac{7}{8}$	2/6$\frac{1}{8}$	2/6$\frac{1}{8}$	2/6$\frac{1}{8}$	2/6$\frac{1}{8}$	2/6$\frac{1}{8}$
T/T India	160 980	163½	166	166	166	165$\frac{7}{8}$	165$\frac{7}{8}$
T/T France	1.479 200	1500	1525	1525	1525	1525	1530
T/T N. Y.	58.200	59$\frac{3}{8}$	60$\frac{3}{8}$	60$\frac{3}{8}$	60$\frac{3}{8}$	60$\frac{3}{8}$	60$\frac{3}{8}$
T/T Hong	81.230	80½	80½	79½	80	80½	80½
T/T Japan	84.130	81	80½	80$\frac{7}{8}$	80½	80½	80½
T/T Batavia	144.550	148½	150$\frac{3}{8}$	150$\frac{3}{8}$	150$\frac{3}{8}$	150$\frac{3}{8}$	150$\frac{3}{8}$
T/T Straits	96.850	94½	93	93	93	93	93
Bk's buying rates							
4 m/s B/L. Cred. D/A	2/6.790	2/7½	2/8	2/8	2/8	2/8	2/8
4 m/s ,, D/P	—	2/7$\frac{3}{8}$	2/8$\frac{1}{8}$	2/8$\frac{1}{8}$	2/8$\frac{1}{8}$	2/8$\frac{1}{8}$	2/8$\frac{1}{8}$
6 m/s ,, B/L Cred D/A	2/7.103	2/7 $\frac{15}{16}$	2/8 $\frac{5}{16}$	2/8 $\frac{5}{16}$	2/8 $\frac{5}{16}$	2/8 $\frac{5}{16}$	2/8 $\frac{5}{16}$
4 m/s B/F Cred D/A	1.609.200	1630	1655	1655	1655	1655	1660
4 m/s N. Y. Lc.	61.700	63¼	64¼	64¼	64¼	64¼	64¼
4 m/s ,, Dacs	—	63⅜	64⅜	64⅜	64⅜	64⅜	64⅜

†Based on Daily Official quotation, higher rate taken on rising Market, lower when falling Bullion.	Jan. 13	Jan. 14	Jan. 15	Jan. 17	Jan. 18	Jan. 19
*London Price of Bar Silver per oz. (English Standard 925 touch)...Pence						
**New York Price of Bar Silver per oz. (Pure)	25 $\frac{7}{16}$ G. $.54⅞	25⅝ G. $.55¾	25$\frac{7}{8}$ G. $ 55¾	25½ G. $.55⅝	25$\frac{7}{8}$ G. $.55$\frac{7}{8}$	25$\frac{7}{16}$ G. $ 55$\frac{7}{8}$
Shanghai Price of Gold Bars (weight Tls. 10 (Chanping) 978 touch).....	Tls. 383.30	381.90	383.9	383.00	381.40	382.00
Shanghai Silver Bars (weight Tls. 100(C.)999 touch)	Tls. 111.00	111.00	111.00	111.00	111.00	111.00
Shanghai Mexican Dollars per $100.....	Tls. 73.075	73.25	73.20	73.10	73.025	73.
Native Bank Rate of Interest (Call money).....	1%	1%	1%	1%	1%	1%
*Closing Price in London for Previous day						
**Closing Price in New York for Previous day						

Bank of England rate of discount	5%	London Paris on	T/T 122.26
Bank of France rate of discount	6%	New York on London	T/T 485$\frac{3}{4}$
London open Market of Dis. 3 m/s	4$\frac{15}{16}$%	Bombay on London	T/T 1/6 $\frac{1}{16}$
,, 4 ,,	4$\frac{15}{16}$%	Hongkong on London	T/T 1/11$\frac{3}{8}$
,, 6 ,,	4$\frac{15}{16}$%	Kobe on London	T/T 2/0$\frac{1}{8}$



What the Ships Carry between America and China

Return of the Shanghai Customs

By Pls.—1 Picul or 133 1/3 pounds; Bls.—Bales; Pcs.—Pieces; Mille—thousands; Hk. Tls.—Haikwan Tls., Aug. Customs Rate Tls. 1.27 Gooquall £81

Edmore, December 15.

From Canada.

Flour, Wheat.....	Pls.	368

from U. S. A.

Timber:		
Softwood Logs..Sup.	ft.	52,808
Softwood, Ordinary Sawn.....	,,	459,767
Softwood, Merchantable		1,159,137
Softwood, Clear....	,,	142,208
Meat, Pickled	Pls.	20

Kaga Maru, December 15.

from U. S. A.

Cotton, Raw Bls. 3,475	Pls.	9 690
Apples, Fresh	,,	18
Herrings, Salt.....	,,	7,282
Oranges Fresh	,,	31
Tobacco, Leaf	,,	13,238

Indigirka, December 15.

from U. S. A.

Tobacco, Leaf	Pls.	348

Silvertay, December 17.

from U. S. A.

Shirtings, White, Plain, over 41 in. wide....	Yds.	537
Cotton Voiles	,,	2,258
,, Raw..Bls. 200	Pls.	740
Indigo Paste, Artificial, 20 per cent	,,	1,423
Leadfoil and Tinfoil...	,,	5
Tobacco, Leaf	,,	997
,, Stalk	,,	116
Cigarettes	*Mille*	50,250

President Polk, December 16.

From U. S. A.

Cotton, Raw....Bls. 69	Pls.	263
Iron Fittings	,,	62
Tinned Plates, Plain ..	,,	3,863
Bronze Powder.....	,,	30
Canned Fruits	,,	33
Indigo Paste, Artificial: 20 per cent.....	,,	1,058
50 ,, ...	,,	273
Leather, Patent	,,	14
,, Sole	,,	7
Lead, White.....	,,	11
Oranges, Fresh	,,	71
Paper Kraft	,,	14
,, Wrapping	,,	10
,, Writing.....	,,	54
Raisins, Dried	,,	938
Shrimps, ,, ...	,,	56
Tobacco, Prepared	,,	120
Cigarettes	*Mille*	38,520
Files	Doz.	1,136
Handkerchiefs	,,	800
Shoes, India-rubber ...	Pairs	718
Motor-cars	Pcs.	17
Oil, Lubricating, Mineral	Galls.	13,883
Dyes, Aniline *Pkgs.* 990	Hk. *Tls*	27,869
Infants' Food.....	,,	158
Machinery	,,	67,562
Treasure: Silver Bars	,,	691,772

Radnor, December 16.

from U. S. A.

Cotton, Raw Bls 4,320	*Pls.*	15,558
Wax, Paraffin	,,	3,709

President Jefferson, Dec. 17.

from U. S. A.

Copper Ingots.....	Pls.	1,764
Apples, Fresh.....	,,	1,079
Cheese	,,	25
Flour, Wheat.....	,,	1,113
Canned Fruits	,,	16
Hams and Bacon.....	,,	19
Ink, Printing	,,	23
Tobacco, Leaf	,,	469
Bedsteads, Brass	Pcs.	20
,, Iron	,,	184
Motor-car	,,	25
Cows, Living	No.	10
Cigarettes	Mille	25,000

Pacific Maru, December 17.

from U. S. A.

Timber: Softwood, Merchantable .....Sup. ft.		13,733
Softwood, Ordinary Sawn	,,	756,377

President Lincoln, Dec. 18.

To Manila.

Silk Piece Goods	Pls.	0.98
Sheetings, Grey	Pcs.	500
Eggs, Fresh	,	425,760

President Jefferson, Dec. 18.

To Manila.

Silk, Raw, not Re-reeled & not Steam Filature: White, other Ports Bls. 5.....	Pls.	4
Beans	,,	1,363
Chestnuts.....	,,	347
Fish, Salt.....	,,	20
Groundnuts, Kernels ..	,,	1,422
Hams	,,	180
Lard	,,	646
Oil, Groundnut	,,	1,075
Pears Fresh	,,	20
Sweetmeats	,,	57
Eggs, Fresh .....Pcs.		1,344,000
,, Preserved	,,	5,600

Pacific Maru, December 18.

To San Francisco

Bags Gunny, Old....	*Pls.*	805

Fushimi Maru, December 18.

To Detroit, Mich.

Tea Dust, other Ports.	Pls.	646

To New York.

Silk, Raw, Steam Filature: White, Shanghai Bls. 55	Pls.	54.75
Silk, Raw, Re-reeled: White, other Ports Bls. 60	,,	61.14
Silk, Raw, Filature: Wild other Ports Bls. 50	,,	50.71 8
Casings, Hog, Salted ..	,,	

Arabia Maru, December 18.

From Canada.

Herrings, Salt.....	Pls.	432

from U. S A.

Typewriters.....	Pcs.	7
Herrings, Salt	Pls.	2,053
Tobacco, Leaf.....	,,	2,106
Cigarettes	Mille	50,000

Empress of Canada, Dec. 21.

To Manila.

Silk Pongees, Shantung	Pls.	4.56
Beans	,,	138
Beancake	,,	230
Cotton Yarn, Grey, Shanghai	,,	16
Ink, Chinese	,,	6
Nankeens.....	,,	16
Cotton Cloth, Fancy ..	Pcs.	29
Sheetings, Grey.....	,,	3,980
Shirtings, White, ...	,,	400
Mats, Rush	,,	400

Foreign Goods.

Shirtings, White	Pcs.	400

To Ilo-Ilo.

Silk, Raw, not Re-reeled & not Steam Filature: White, Shanghai Bls. 5	Pls.	4

Paris Maru, December 24.

To Kansas City.

Tea, Green: Young Hyson, other Ports	Pls.	52
Gunpowder, Ningpo	,,	107

To Charleston.

Hair, Human	Pls.	48

To Reading, Panama.

Silk, Raw, Steam Filature: White, Shanghai Bls. 5	Pls.	4.86
Yellow, Shanghai Bls. 20	,,	19.96

To Chicago.

Silk, Raw, Steam Filature: White, Shanghai Bls. 10	Pls.	9.94
Silk, Raw, Filature: Wild, other Ports Bls. 55	Pls.	56 13

To Hoboken.

Silk, Raw, Steam Filature: White, Shanghai Bls. 55	Pls.	54.89
Yellow Shanghai Bls. 10	,,	10.09

To New York.

Silk, Raw, Re-reeled: White, other Ports Bls. 50	Pls.	50.78
Silk, Raw, Steam Filature: White, Shanghai Bls. 40	,,	39.97
Yellow, Shanghai Bls. 10	,,	5.92
Silk, Raw Filature: Wild, other Ports Bls. 30	,,	30.58
Intestines Pigs' Salted	,,	10
Wool, Sheep's.....	,,	345
Hats, Hemp	Pcs.	669
Skins, Goat, Untanned	,,	22,121

Weekly Cotton Market Report

By J. Spunt & Co.

China Cotton:—If it were not for the fact of some of the Chinese and Japanese Mills having had to buy the raw material in small quantities to meet their most pressing requirements, our market during the past week could have been recorded as being practically lifeless, nevertheless, prices fluctuated within a very narrow range evincing at the close a firmness bordering on further advances, which was engendered by a general consciousness in the trade of the 1926/27 crop being much shorter than that of the 1925/26 yield. The yarn market remains more or less in a stagnant position and whatever little appreciation that is being experienced in this direction is hardly commensurate with that manifested in the raw material. Mid-Americans and Indians continue steady to firm and unless exchange rates show considerable upward movement, importations of the higher grades both from America and India will be prohibitive.

Reactions, as the time approaches the Chinese New Year settlements, may be looked forward to and whenever these are realised it becomes almost imperative not to miss such opportunities.

Yarn:—Fluctuations in the yarn market during the past week were within narrow limits, evolving a steady tendency at the close of the week. In all some 6000 to 7000 bales of local spinning have been booked for export to Szechuen, Hankow, Canton, Wuhu, Fukian and other interior ports.

Liverpool:—

American-Middling	7.19
American-Middling last reported.....	6.89
Tone of the market, *Steady*.	

New York Market:—

Price of Mid-Amer.	13.40 Spot.
	13.20 Mar.
	13.40 May.
	13.60 July.
	13.81 Oct.
	13.96 Dec.

Tone of the market:—*Firm*.

Indian Market:—

Fully Good Bengal, D./J.	225
Fine Oomra, Dec/Jan..	249
Fully Good Broach, A./M.	259

Tone of the market—*Steady*.

Shanghai Market:—

	Tls.
Tungchow, spot exwharf	29.00
Shanghai, Spot.....	28.75
M. Ginned Spot.....	29.00
Shensi, No. 1 Spot.....	29.50
Ningpo, Spot, Exwharf.	28.40

Tone of the market—*Steady*.

In the United States Court for China

In re the Matter of the Estate of SARAH A. FISHER, Deceased.

Cause No. 2886
Estate No. 643
NOTICE

Pursuant to an Order of said Court, notice is hereby given to all persons having claims against the estate of SARAH A. FISHER, deceased, to present the same with vouchers to the undersigned, on or before July 11, 1927, and all persons owing debts to said deceased are hereby notified to make payment of the same in due course to the undersigned.

JAMES B. DAVIES
c/o Davies & Bryan,
4 Hongkong Road
Shanghai.

January 10, 1927.

Chih-Tze University

持志大學

— CURRICULUM —

College of Arts—

Chinese Literature, English Literature and Political Science department.

College of Commerce—

Accounts, Business Administration, Banking and Finance, Foreign Trade and Insurance departments.

MIDDLE SCHOOL
(中學部)

For detailed information please address registrar

President: Dr. S.C. Ho *Dean*: Dr. S.M. Ho

KIANGWAN ROAD—SHANGHAI

(*Continued from page 218*)

resume Tariff Conference immeditately—Tsao Ju-lin, Lu Tsung-yu, Tseng Yu-chien, Liang Shih-yi and Yu Kuo-sung of old Anfu party hold meeting for purpose of starting movement for appointment to Cabinet following Chinese New Year—Japanese report states that movement progressing to make Chang Tso-ling president of China—Peking Cabinet notifies Yoshizawa, Japanese Minister that China is ready to resume negotiations for revision of the Sino-Japanese Treaty and that China's proposed draft is ready—Hankow Chinese hold great welcome ceremony for Gen. Chiang Kai-shek and party from Kiangsi.

January 15.—Students strike in American mission school at Foochow and renew anti-British agitation—Kwangtung Government appoints Gen. Tang Yen-hua, commander of the 18 division of 8th Nationalist army as head of Peace Preservation Bureau in Canton—Saburi of Japanese Foreign Office interviews Kan Nai-kuang and inspects Whampoa Military Academy at Canton; expects to return to Shanghai shortly—150 officials of Nationalist Government wind up affairs at Canton and proceed to Hankow—Chungshan University at Canton decides to employ Russian professors for courses in economics, labor and social revolution and apply to Borodin for advice—American Minister MacMurray confers with Dr. Koo in Peking prior to his departure for America on Jan. 18 to confer with Secretary of State Kellogg—Chinese Foreign Office, Peking discusses treaty between China and French Indo-China with French Minister—Serious bandit depredations on Shantung-Honan border prompts Gen. Chang Chung-chang of Shantung to send Gen. Waung Han-ming to investigate—Now 18 foreign gunboats at Hankow including 5 American, 4 Japanese, 2 French, 1 Italian and 6 British—Generals Chang Tso-hsiang and Wu Chin-sheng, tupans of Kirin and Heilungkiang return to their posts from Peking—Ningpo recaptured by Sun Chuan-fang—Chinese merchants in Canton hold massmeeting and recommend to the Kwangtung provincial officials that banditry be suppressed, that opium smoking be eradicated, that merchants have the right to employ or discharge laborers, that native industries be protected, that a labor law be enacted, that buildings now occupied by labor unions be returned to owners—Trouble again threatened at Canton owing to meetings over the Hankow situation and apprehension felt over situation at Shameen where feeling exists among foreigners that Cantonese may attempt seizure.

January 16.—According to the *Kuo Wen* News Agency, the Fengtien authorities in Peking have definitely asked the British authorities to relinquish control of the British Concession at Tientsin, declaring their intentions of making the concession into a special administrative area similar to the former German and Russian concessions—Yang Yu-ting of Fengtien party is reported to have told the British Minister, Mr. Lampson, that the Fengtien party will not tolerate any drastic action on the part of the British at Hankow; Yang also reported to have told the British Minister that a reconciliation could be easily effected between the Nationalists and Fengtien if the Nationalists would drop the Russians—Chang Tso-ling reported to have ordered Generals Chang Hsueh Liang and Chang Chung-chang to move their troops into Honan but not to interfere with Wu Pei-fu—Gen. Ma Yu-jen, former defense commissioner at Tsingkiangpu has recruited 5,000 soldiers formerly under his command in Shantung and Anhwei and is mobilizing them at Tsingtao—Owing to the threatened advance of Fengtien troops into Honan, Wu Pei-fu is reported to have started an advance against the Nationalists at Wu-han, while Gen. Chin Yun-ao, formerly under Marshal Wu is reported to have joined the Cantonese at Hankow—Chinese attempt to detain British gunboat Woodcock containing refugees from Changsha, but is released and boat proceeds to Hankow—Hankow situation remains tense and Cantonese soldiers continue to put up posters denouncing the British.

THE JADE STORE

Antique and Modern Jade Ornaments—Jewellery

12 A Nanking Road, Shanghai

'Phone C. 3237

Don't Wait Till You Leave Here

While you are planning your trip to the States, remember that you can make hotel reservations for New York and other important cities right here at home. In the case of the Statler-operated hotels, see any office of Messrs. Thos. Cook & Son, or the American Express Company, or the American-Oriental Banking Corporation—or the principal hotels and steamship offices in the larger cities of the Orient. Reservations so made can be depended upon absolutely.

> ***Establish Acquaintance***
>
> A traveler making his Statler reservations need only address the first Hotel Statler he will visit. This hotel will take care of reservations in the other Statler cities, will assist him in getting in touch with people he wants to see, and will serve him in many other helpful ways.

Hotels Statler and Hotel Pennsylvania (Statler-operated) are the preferred hotels of thousands of world travelers who appreciate the luxurious appointments, the complete service, and the real interest the management takes in the comfort and convenience of its guests.

It will cost you no more to live in these good hotels than in other houses of the first class.

Hotels Statler

BUFFALO 1100 Rooms 1100 Baths
CLEVELAND 1000 Rooms 1000 Baths
DETROIT 1000 Rooms 1000 Baths
ST. LOUIS 650 Rooms 650 Baths
BOSTON 1300 Rooms 1300 Baths

This small picture of Hotel Pennsylvania will give you some idea of its size.

In each of these hotels you will find unusual equipment (every room has a private bath, for one thing) and service; you will find people ready and anxious to help you; you will be centrally located, and surrounded by conveniences which will help to make your visit pleasant and comfortable.

Hotel Pennsylvania

NEW YORK

Opp. Pennsylvania Station—**The Largest Hotel in the World**—2200 Rooms, 2200 Baths

"CAPSTAN" Cigarettes

They prove a never-failing source of satisfaction---to smoke them is to cultivate a true appreciation of quality

This advertisement is issued by the British-American Tobacco Co., (China) Ltd. E-463

中華郵政特准掛號認爲新聞紙類

Registered at the Chinese Post Office as a newspaper for transmission with special marks privileges in China.